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9 August 2006

Commonwealth Bank of Australia ACN 123 123 124
PRESENTATION OF FULL YEAR RESULTS
For 30 June 2006

Disclaimer

The material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation, 9 August 2006. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.



Agenda

- Full Year Results – Ralph Norris
 - Highlights
 - Outlook

- Full Year Results – Gary Thursby

- Questions



Highlights

- Very good result – Cash NPAT of \$4,053 million
- Good volume growth across the business
- Focus on profitable growth
- Successful delivery of WnB and good progress on new strategic initiatives



Other Key Information

Notes

Cash NPAT excluding Hong Kong

(\$m)	Jun 06	Dec 05	Jun 05
Cash NPAT	1,992	2,061	1,759
Less: Profit on sale of Hong Kong	0	(145)	0
Cash NPAT (excl HK sale)	1,992	1,916	1,759

Some overall Bank indicators

	Jun 06	Dec 05	Jun 05	Dec 04	Jun 04
Number of branches	1,005	1,007	1,006	1,011	1,012
Weighted av. No. of shares (cash)	1,285m	1,281m	1,273m	1,265m	1,255m
Net tangible assets per share (\$)	9.42	8.99	8.54	7.98	12.22
Risk weighted assets (\$m)	216,438	202,667	189,559	180,674	169,321

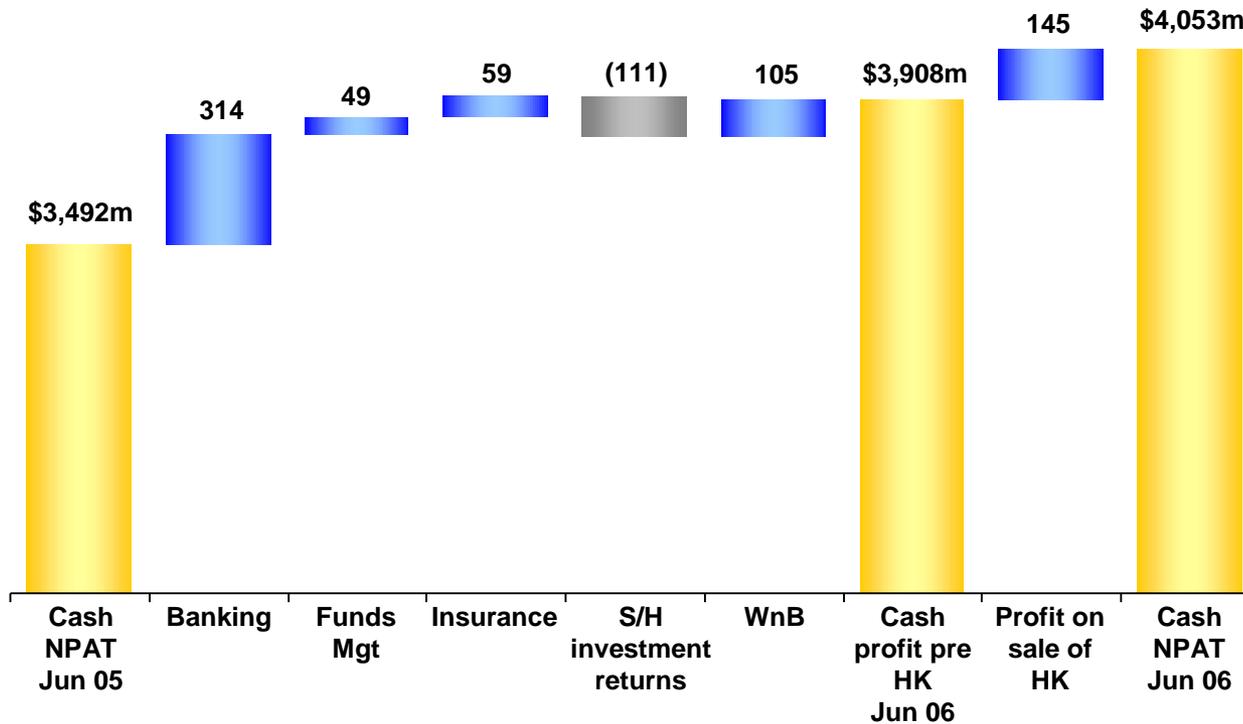


Highlights

		6 months	12 months
	Jun 06	Jun 06 vs Dec 05	Jun 06 vs Jun 05
Cash NPAT (excl HK)	3,908	↑ 4%	↑ 12%
Cash EPS (excl HK)	304.6	↑ 4%	↑ 15%
Dividend	224	–	↑ 14%
Return on Equity – Cash (excl HK)	20.6%	↑ 70 bpts	↑ 180 bpts
Gross impaired assets / RWA	0.15%	↓ 5 bpts	↓ 5 bpts



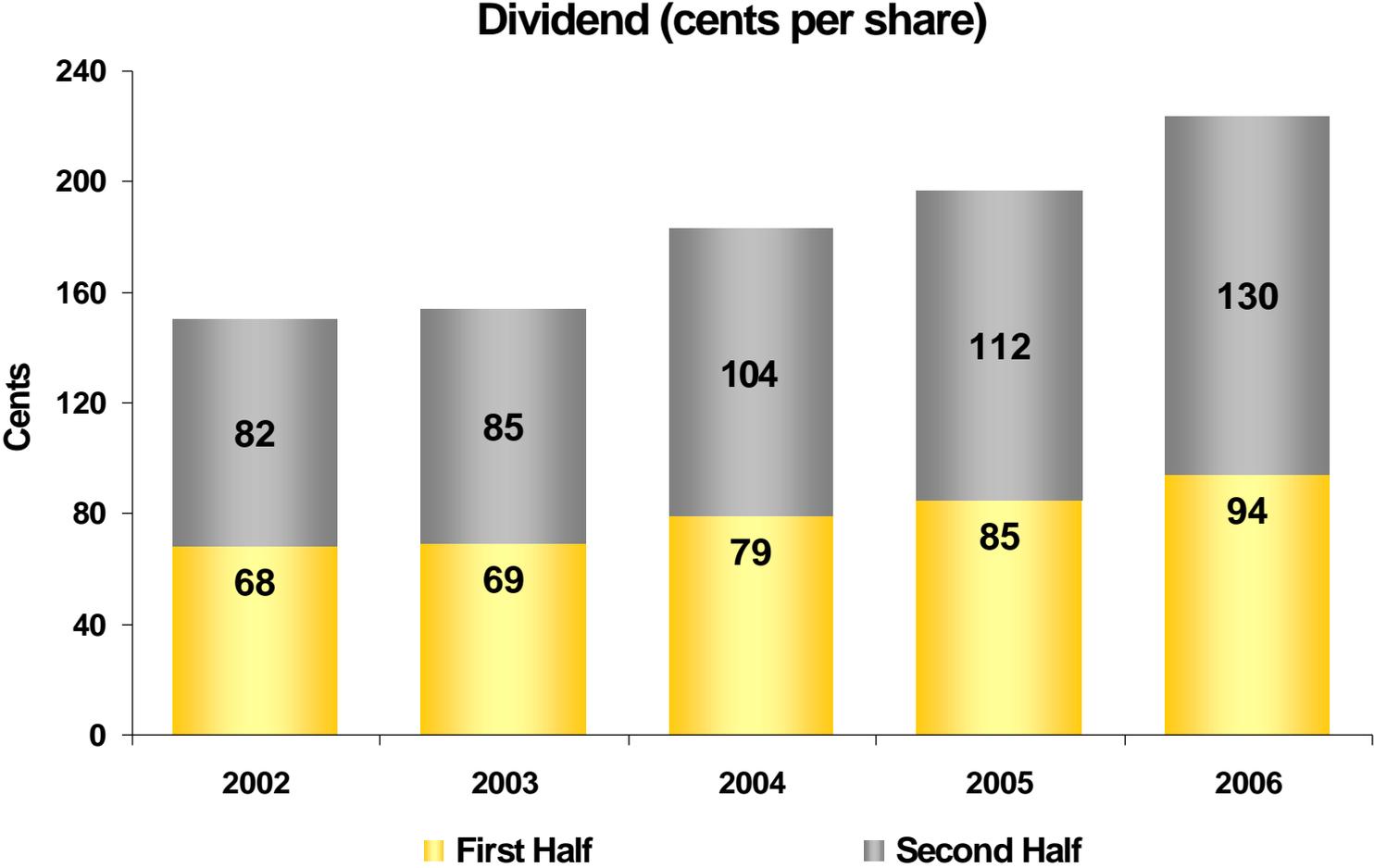
Good full year result



Scorecard	Jun 06
Volume Growth	✓✓
Interest Margin	✓
Non Int.Income	✓
Expenses	✓
Credit Quality	✓✓
Tax	✓
Cash EPS	✓✓

Cash EPS 264.8 $\xrightarrow{+15\%}$ Cash EPS 304.6

Highlights - dividend



Other Key Information

Notes

	Jun 06	Dec 05	Jun 05	Dec 04	Jun 04
Banking					
Home loans	18.8%	18.8%	19.0%	18.9%	18.9%
Credit cards	20.5%	21.4%	22.8%	22.8%	22.7%
Retail deposits	22.2%	22.9%	23.0%	23.6%	23.7%
Personal lending ⁽¹⁾	16.1%	16.0%	16.7%	16.7%	15.0%
Business lending ⁽²⁾	13.1%	13.5%	13.2%	13.6%	13.7%
Transaction services (corporate)	22.4%	22.1%	22.1%	21.4%	20.9%
Transaction services (commercial)	23.9%	25.1%	24.8%	24.4%	24.4%
Asset finance	14.5%	15.1%	15.4%	16.5%	16.0%
NZ lending (housing)	23.1%	23.2%	23.0%	22.7%	22.7%
NZ deposits	20.3%	19.9%	19.5%	18.8%	17.5%
Funds Management					
Aust retail administrator view ⁽³⁾	15.7%	14.6%	14.5%	14.8%	14.2%
NZ Managed investments	15.0%	15.0%	15.2%	15.1%	N/A
Insurance					
Aus. Life insurance (total risk)	13.5%	13.5%	13.8%	13.8%	14.8%
NZ Life insurance	31.1%	30.9%	30.7%	30.3%	27.5%

(1) APRA personal lending published data began in March 2004

(2) APRA definition was restated in 2004

(3) Note: Under the Administrator view, badged or whitelabelled products are attributed to the underlying administrator of the product. The alternative Marketer view attributes such business to the marketer of the product



Highlights - market position

		Jun 06	Dec 05
Home Loans	✓	18.8%	18.8%
Personal Lending	✓	16.1%	16.0%
Credit Cards	x	20.5%	21.4%
Retail Deposits	x	22.2%	22.9%
NZ Lending	x	23.1%	23.2%
NZ Deposits	✓	20.3%	19.9%
Business Lending	x	13.1%	13.5%
Transaction Services (corporate)	✓	22.4%	22.1%
Transaction Services (commercial)	x	23.9%	25.1%
Equities Trading (CommSec)	✓	4.3%	4.3%
Funds Mgt. – Aust. Retail	✓	15.7%	14.6%
Aust.Life Insurance (total risk)	✓	13.5%	13.5%



Which New Bank - A Success

- Technology transformation
 - Delivered ahead of schedule
 - Within budget
- Financial and Productivity

	Target	Outcome
Financial Benefit	\$900m	\$1,044m
EPS Growth – CAGR	10%*	14%
Banking	48%	47.1%
Funds Management	0.74%	0.74%
Insurance	42%	36.7%

- Customer Satisfaction
 - Targets not yet achieved

But

- Customer complaints down 22% since Dec '05
- June '06 complaints down 40% on June '05

* Number revised to 12% during program
All numbers on an AGAAP equivalent basis

CEO Priorities & Measures

- Customer Service
 - Business Banking
 - Technology & Operational Excellence
 - Trust & Team Spirit
-
- ➔ Superior operating and financial results
 - ➔ Australia's finest financial services organisation



Customer Service

- Roll out of Sales and Service programme (SUCCESS) well underway
- Increased resourcing in customer facing roles
- Launch of new competitive products and Saturday trading
- Some leading indicators showing positive trends
- Internal measurements will track and measure customer advocacy scores
- Management KPIs linked to customer satisfaction scores



Business Banking

- Management and structural changes better align business with customer needs
- Business bankers back into the branches
- CommSee for Business roll out now complete
- Commbiz being rolled out to key customers over next 3 months
- Range of metrics being measured including customer satisfaction (advocacy scores), market share and profitability



Technology & Operational Excellence

- Appointment of new IT Head to lead Group wide Technology
- Successful renegotiation of EPS component of EDS contract
- Re direct spend from operational to value creation initiatives
- New corporate services function to drive bank-wide cost management culture
- Objective is to move underlying IT/CBA Opex ratio to world class benchmark levels over next 3 years



Trust & Team Spirit

- Recent management changes strengthen the leadership team while building greater collaboration across the Group
- Focus on developing people through investment in talent and training
- Introduction of a number of initiatives for our people
- Continuing measurement of progress using internal engagement surveys
- Greater focus on the Bank's support for the wider community

2007 outlook

- Good result with earnings momentum going into new fiscal year
- Continuing real progress made with strategic initiatives
- Mainly positive outlook for the domestic economy
- Competitive environment for financial services
- Confident in our ability to deliver solid profitable growth





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9 August 2006

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PRESENTATION OF FULL YEAR RESULTS

For 30 June 2006

Highlights - NPAT growth

	12 months			6 months		
	Jun 06 \$M	Jun 05 \$M	Jun 06 vs Jun 05	Jun 06 \$M	Dec 05 \$M	Jun 06 vs Dec 05
NPAT (statutory)	3,928	3,400	16%	1,929	1,999	(4%)
<i>Add back AIFRS non cash items</i>	125	92	36%	63	62	-
NPAT (cash)	4,053	3,492	16%	1,992	2,061	(3%)
<i>Less profit on sale Hong Kong business</i>	(145)	-	-	-	(145)	-
NPAT (cash excluding HK)	3,908	3,492	12%	1,992	1,916	4%
Cash EPS (excl HK)	304.6	264.8	15%	154.9	149.5	4%



Other Key Information

Notes

Contribution to profit	12 months			6 months		
	Jun 06 \$M	Jun 05 \$M	Jun 06 vs Jun 05	Jun 06 \$M	Dec 05 \$M	Jun 06 vs Dec 05
Banking	3,227	2,913	11%	1,638	1,589	3%
Funds Management	400	351	14%	217	183	19%
Insurance	215	156	38%	112	103	9%
NPAT (underlying)	3,842	3,420	12%	1,967	1,875	5%
Shareholder invest. Returns (ex HK after tax)	66	177	Large	25	41	(39%)
Which new Bank	0	(105)	-	0	0	-
NPAT Cash (ex HK)	3,908	3,492	12%	1,992	1,916	4%
Profit on sale of HK business	145	0	-	0	145	-
NPAT (cash basis)	4,053	3,492	16%	1,992	2,061	(3%)
Defined benefit plan pension expense	(25)	(53)	53%	(6)	(19)	(68%)
Treasury share valuation	(100)	(39)	Large	(57)	(43)	(33%)
NPAT (statutory basis)	3,928	3,400	16%	1,929	1,999	(4%)
Pref. dividends ⁽¹⁾	150	131	15%	79	71	11%
Ordinary dividend declared	2,879	2,517	14%	1,668	1,211	38%

(1) Includes distributors on Perls, Perls II, Perls III, Trust Preferred Securities and ASB Preference Shares.



Highlights - underlying profit by business

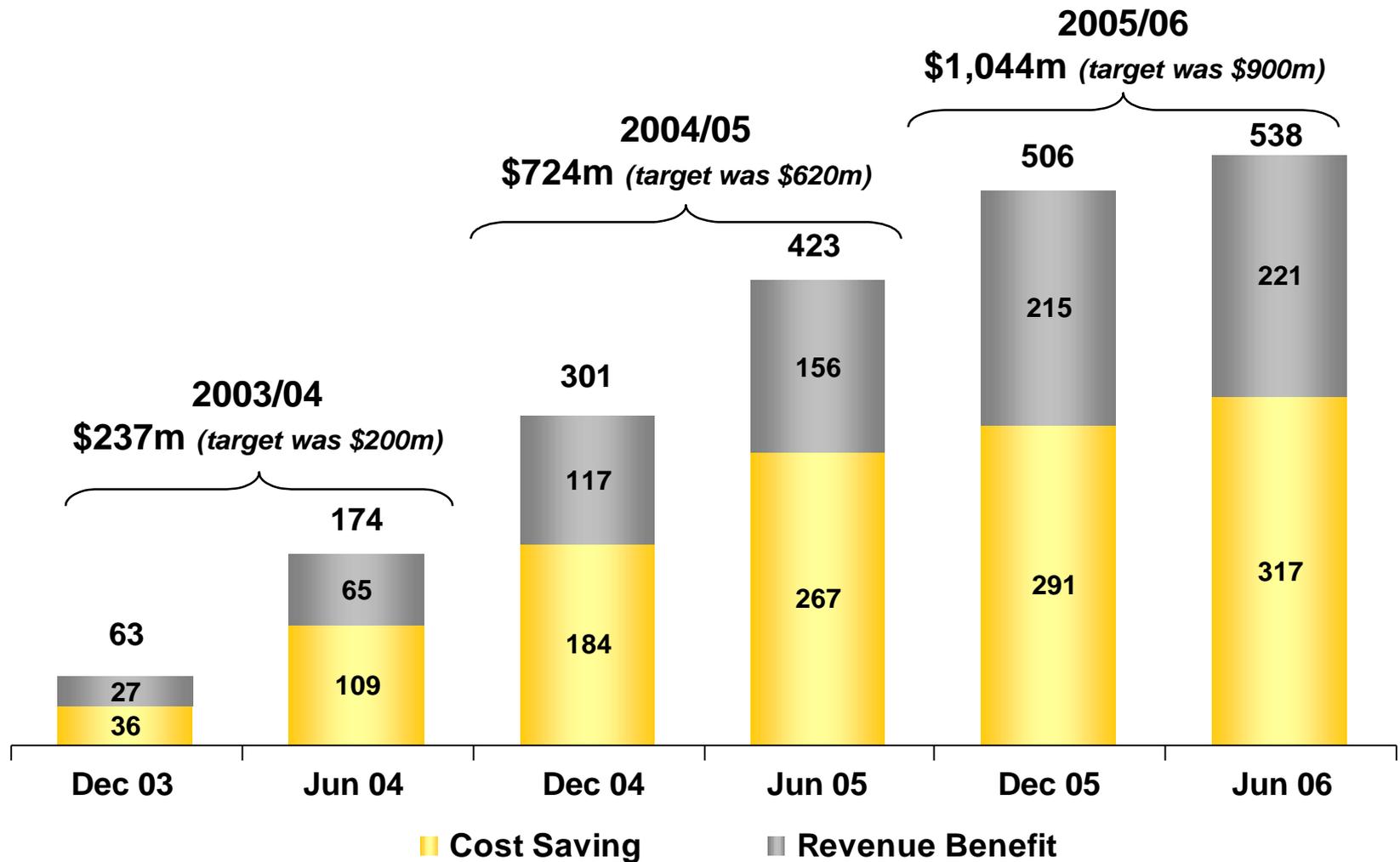
12 months

6 months

	Jun 06 \$M	Jun 05 \$M	Jun 06 vs Jun 05	Jun 06 \$M	Dec 05 \$M	Jun 06 vs Dec 05
Banking	3,227	2,913	11%	1,638	1,589	3%
Funds Management	400	351	14%	217	183	19%
Insurance	215	156	38%	112	103	9%
Underlying Profit	3,842	3,420	12%	1,967	1,875	5%



Which new Bank – Benefits



Other Key Information

Notes

Balance of capitalised software costs

\$million	Jun 06	Dec 05	Jun 05	Dec 04	Jun 04
Capitalised software	229	188	182	163	107

Expense ratios

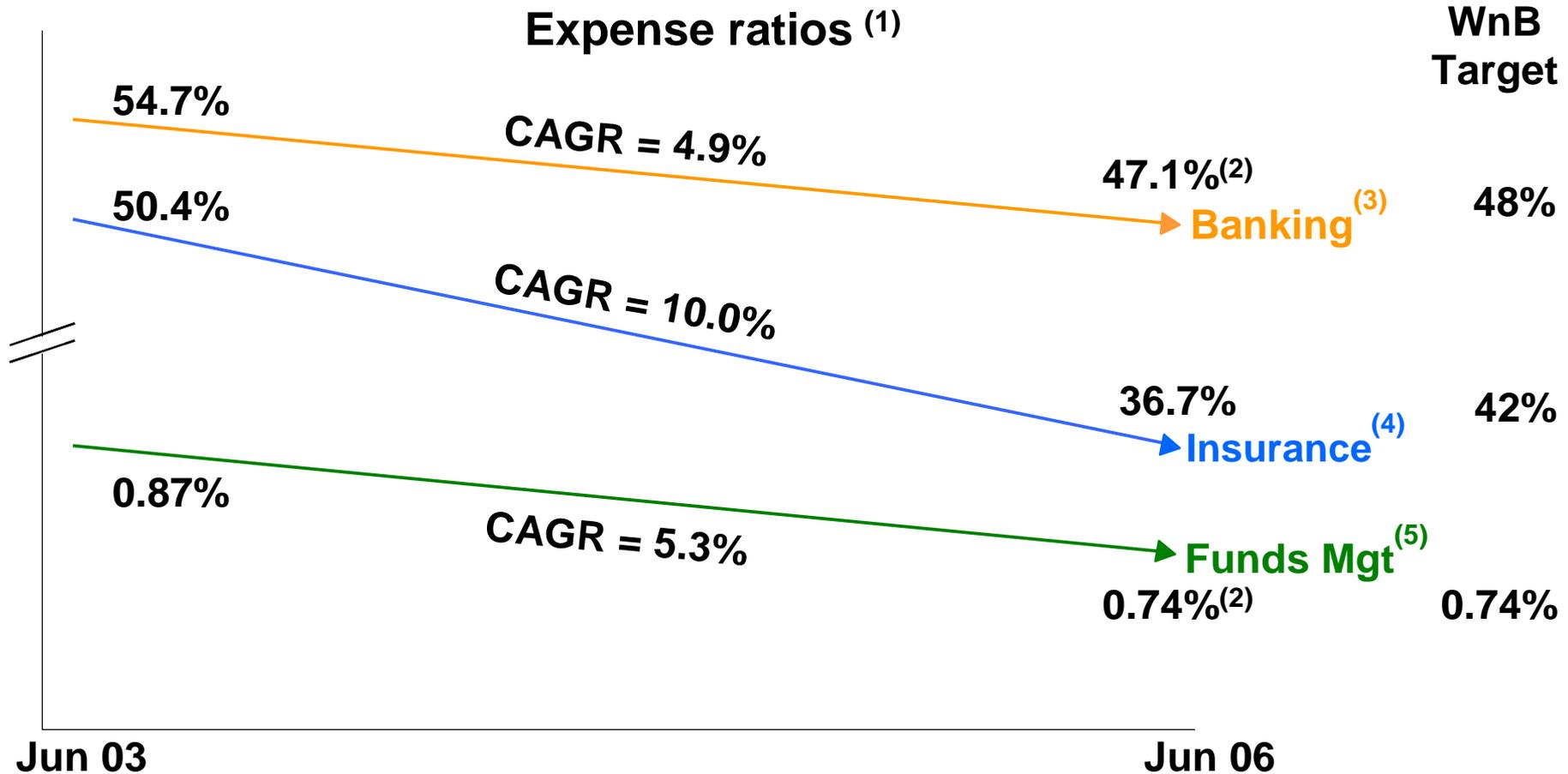
	Jun 06	Dec 05	Jun 05	Dec 04	Jun 04
Banking					
Expense to income	47.4	48.1	50.7	50.5	56.4
Underlying Expense to Income	47.4	48.1	48.6	50.2	50.8
Funds Management					
Expense to Average FUA	0.72	0.70	0.71	0.73	0.75
Underlying Expense to Average FUA	0.72	0.70	0.67	0.71	0.73
Insurance					
Expense to average inforce premiums	33.6	40.5	46.6	44.9	49.3
Underlying Expense to Average Inforce Premiums	33.6	40.5	46.5	44.8	47.5

Income	Banking	FM
Reported	9,550	1,543
AIFRS	129	20
AGAAP	9,679	1,563

Expenses	Banking	FM
Reported	4,558	989
AIFRS	(10)	37
AGAAP	4,548	1,026



Productivity Improvements



(1) On a cash basis

(2) AGAAP equivalent basis

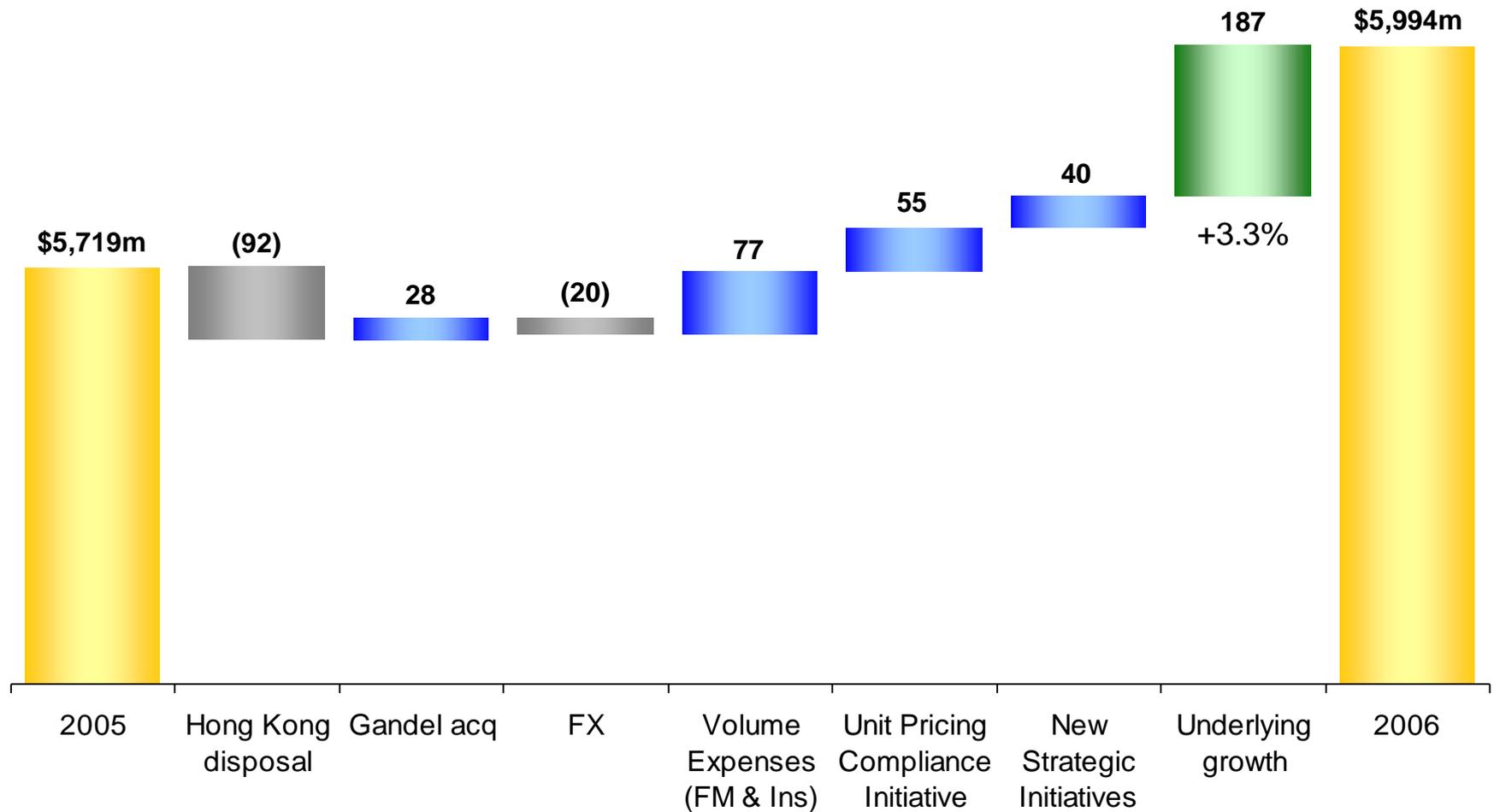
(3) Expense to income

(4) Expense to average inforce premiums

(5) Expense to average funds under administration



2006 Operating expenses



2007 Expense Drivers

2006 Operating Expenses

\$6bn

2007 Expense driver increases:

CPI & general salaries

+3-4%

Volume related expenses

+1%

Additional frontline & permanent staff

+1-2%

Additional project expenditure

+1-2%

Savings targeted:

Technology savings

(2%)

Further WnB benefit & other expense reductions

(2%)

2007 Targeted growth

+4-5%



Segment Results : Banking

Other Key Information

Notes

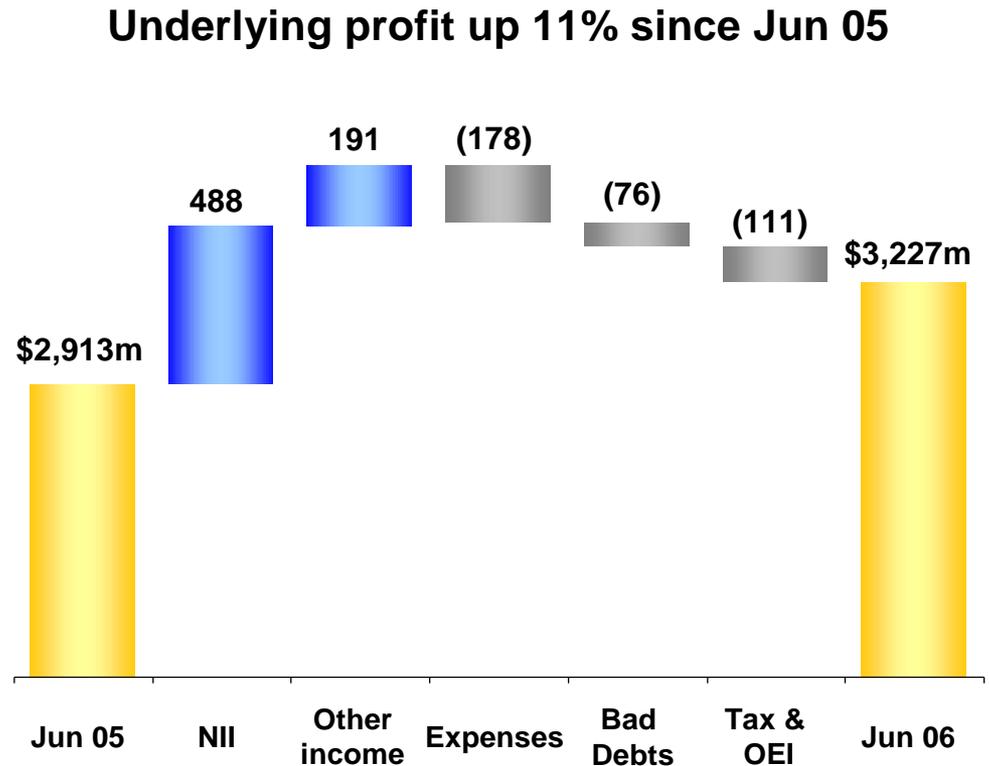
	Jun 06	Dec 05	Jun 05
Av interest earning assets (\$m) ⁽¹⁾	282,553	267,169	250,357
Net int income (excl securitisation (\$m))	3,202	3,218	3,028
Net interest Margin (AIFRS) (bp)	2.29%	2.39%	2.44%
<u>% of operating Income</u>	Jun 06	Dec 05	Jun 05
Net interest income	54%	56%	55%
Other banking income	26%	25%	27%
Funds Mgt. income	14%	12%	11%
Insurance income	6%	7%	7%
Total	100%	100%	100%

⁽¹⁾ Has been adjusted to remove effect of securitisation



Banking - underlying profit

- 11% underlying profit growth
- Strong volume growth
- Net interest income growth strong
- Good expense control
- Underlying credit quality remains sound



Other Key Information

Notes

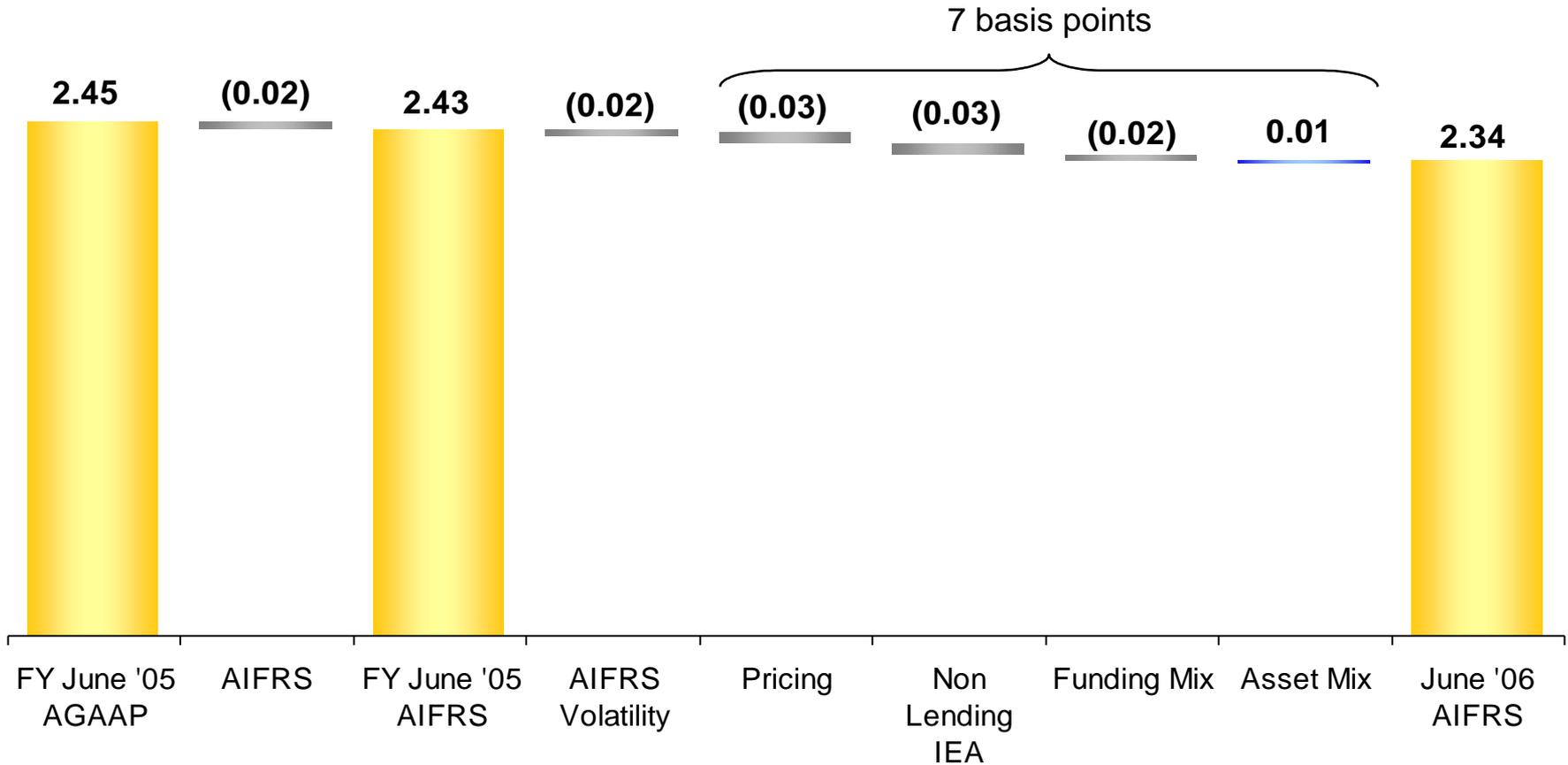
Reconciliation of Net Interest Margin	12 months			6 months		
	Jun 06 %	Jun 05 %	Jun 06 vs Jun 05	Jun 06 %	Dec 05 %	Jun 06 vs Dec 05
Net Interest margin ⁽¹⁾	2.34	2.43	(9)bpts	2.29	2.39	(10)bpts
AIFRS Volatility	0.02	-	2 bpts	0.01	-	1bpt
Underlying Net Interest margin	2.36	2.43	(7)bpts	2.30	2.39	(9)bpts

⁽¹⁾ Mainly the AIFRS impact of hybrid distributions and hedge accounting volatility

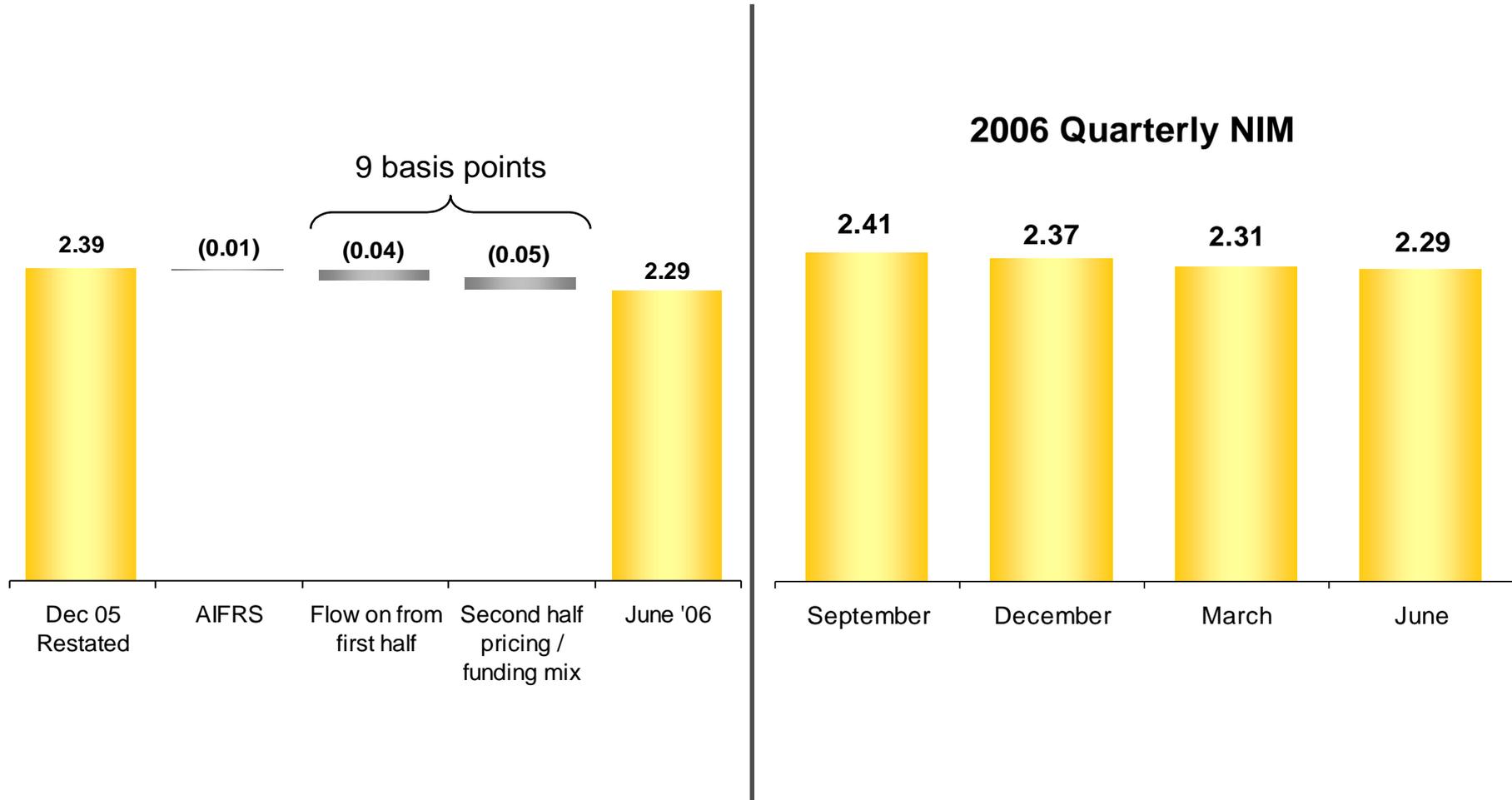
Margin Contraction	12 months		6 months	
	FY Jun 06		HY Jun 06	
Pricing - Home Loans	-	-	(-3)bpts	(-3)bpts
- Business	(-3)bpts	(-3)bpts	(-4)bpts	(-4)bpts
- Deposits	-	-	(-1)bpt	(-1)bpt
Total Pricing	(-3)bpts	(-3)bpts	(-8)bpts	(-8)bpts
Other	(-4)bpts	(-4)bpts	(-1)bpt	(-1)bpt
Underlying Margin Contraction	(-7)bpts	(-7)bpts	(-9)bpts	(-9)bpts
AIFRS Volatility	(-2)bpts	(-2)bpts	(-1)bpt	(-1)bpt
Headline Margin Contraction	(-9)bpts	(-9)bpts	(-10)bpts	(-10)bpts



NIM - Full Year Average



NIM - Half Year



Other Banking income – key components

	12 months			6 months		
	Jun 06 \$M	Jun 05 \$M	Jun 06 vs Jun 05	Jun 06 \$M	Dec 05 \$M	Jun 06 vs Dec 05
Commissions & Fees	1,635	1,545	6%	820	815	1%
Lending Fees	800	733	9%	411	389	6%
Trading Income	505	440	15%	261	244	7%
Other	175	127	38%	138	37	Large
	3,115	2,845	9%	1,630	1,485	10%
Non trading derivatives	(79)	0	-	(39)	(40)	(3%)
Other banking income	3,036	2,845	7%	1,591	1,445	10%

Notes

	6 months		Jun 06 vs
	Jun 06	Dec 05	Dec 05
Home Loans	689	701	(2%)
Consumer Finance	558	537	4%
Retail Deposits	1,329	1,324	-
Corporate Banking	466	486	(4%)
Financial Markets	475	454	5%
Lending & Finance	631	561	12%
Asia Pacific	537	529	2%
Other	165	108	53%
Total Banking Income	4,850	4,700	3%

Refer page 10 onwards of Profit Announcement for definitions of above product categories



Banking - Revenue by product

12 months

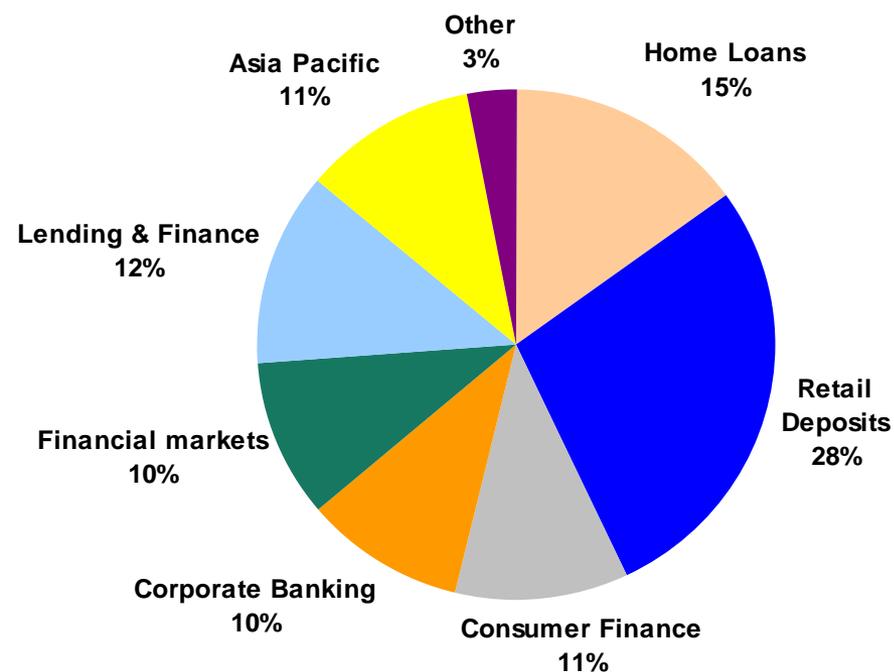
Jun 06 vs

Jun 05

Jun 06

Jun 05

	Jun 06	Jun 05	Jun 06 vs Jun 05
Home Loans	1,390	1,194	16%
Consumer Finance	1,095	985	11%
Retail Deposits	2,653	2,514	6%
Corporate Banking	952	945	1%
Financial Markets	929	814	14%
Lending & Finance	1,192	1,204	(1%)
Asia Pacific	1,066	917	16%
Other	273	298	(8%)
Total Banking Income	9,550	8,871	8%



The current year has been affected by AIFRS



Other Key Information

Notes

	Jun 06	Dec 05	Jun 05	Jun 06 vs Dec 05	Jun 06 vs Jun 05
Domestic growth profile (\$bn)					
Loan Funded*	24.8	22.9	20.5	8%	21%
Reduction*	16	16.7	12.3	(4%)	30%
Net Growth*	8.8	6.1	8.1	44%	9%
Total Home Lending assets (\$bn)					
Australian Home Lending assets (\$bn)	144.8	136.0	130.0	7%	11%
Securitisation (\$bn)	(12.6)	(9.1)	(10.8)	38%	17%
Net (Australia)	132.2	126.9	119.2	4%	11%
Asia Pacific Home lending assets (\$bn)	22.3	23.3	20.8	(4%)	7%
Totals (adjusted for rounding)	154.5	150.2	139.9	3%	11%

Home Lending Statistics (domestic balances gross of securitisation)

Balances Mix (%) :	Jun 06	Dec 05	Jun 05
Owner occupied	55%	55%	55%
Investment Home Loans	35%	35%	35%
Line of Credit	10%	10%	10%
Variable *	64%	65%	62%
Fixed	24%	22%	22%
Honeymoon *	12%	13%	16%
Originations (% of loans funded) :			
3rd Party	32%	32%	29%
Proprietary	68%	68%	71%
Broker originated loans as % of Aust. Book	24%	22%	21%

* Care – Prior periods restated for classification changes between periods



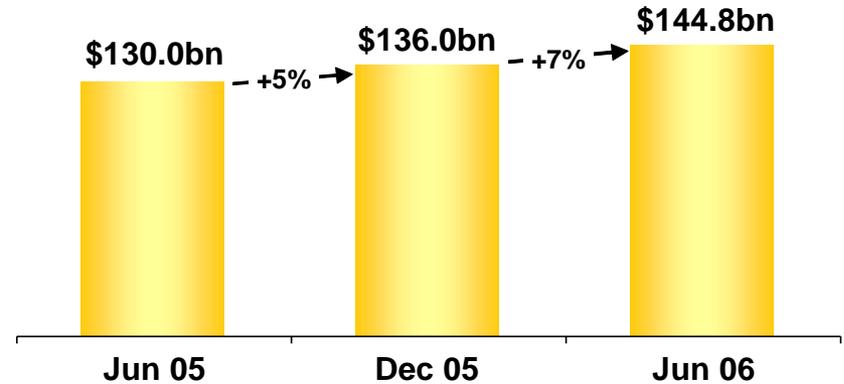
Banking - Home Lending (domestic)

- CBA Balance Growth:
 - 11% in 2006
 - 7% in 2H06

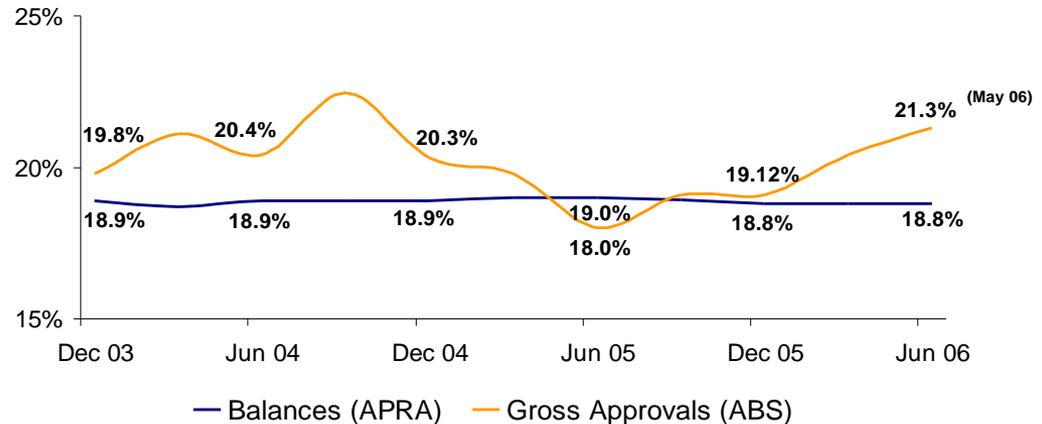
- Very strong second half:
 - record approval volumes
 - market shares stabilised

- Slight margin decline within expectations

Spot Balances (including securitisation)

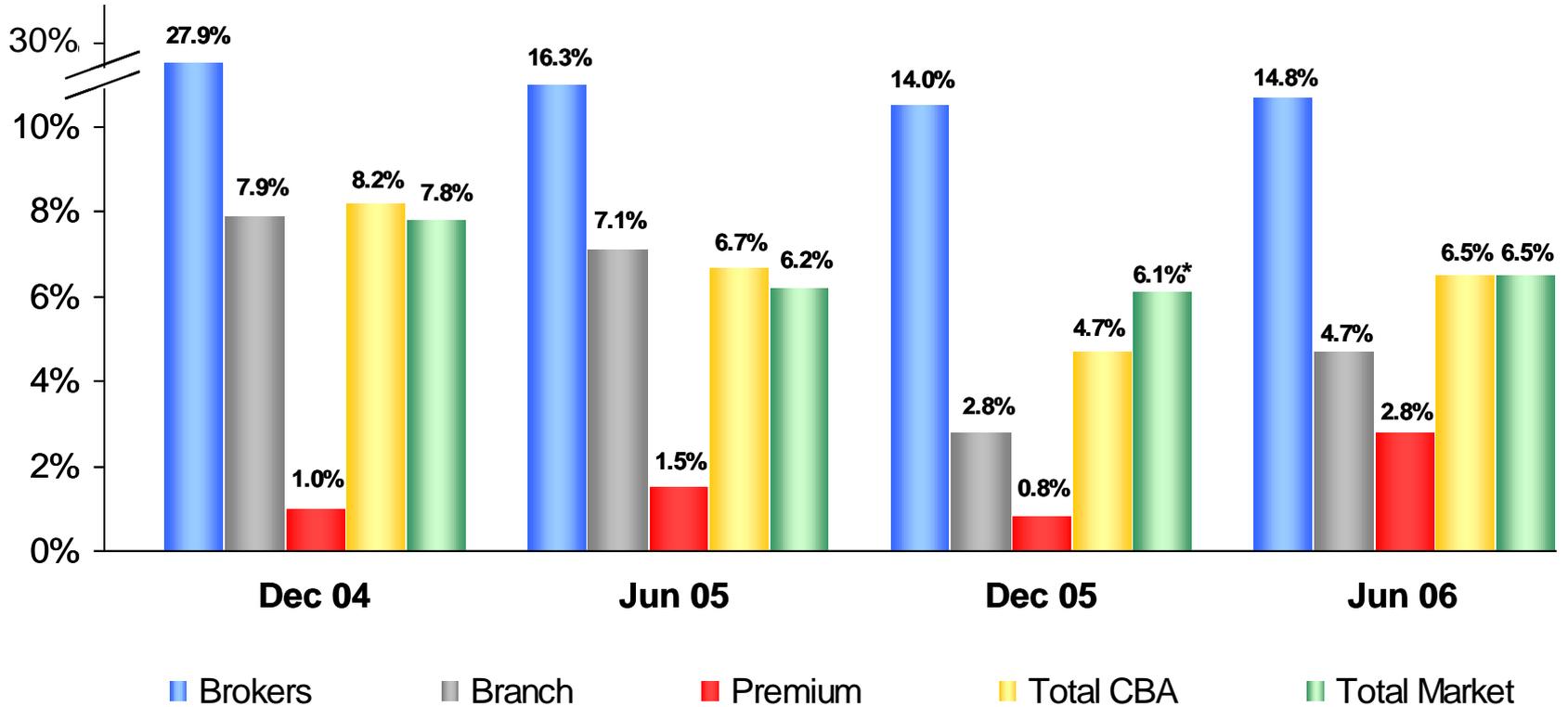


Market Share



Home Loan Growth by Channel (Half Year)

(Balances sourced from each channel as a % of total CBA housing growth)



* Dec 05 market growth figure restated by RBA

Banking – Personal Lending (domestic)

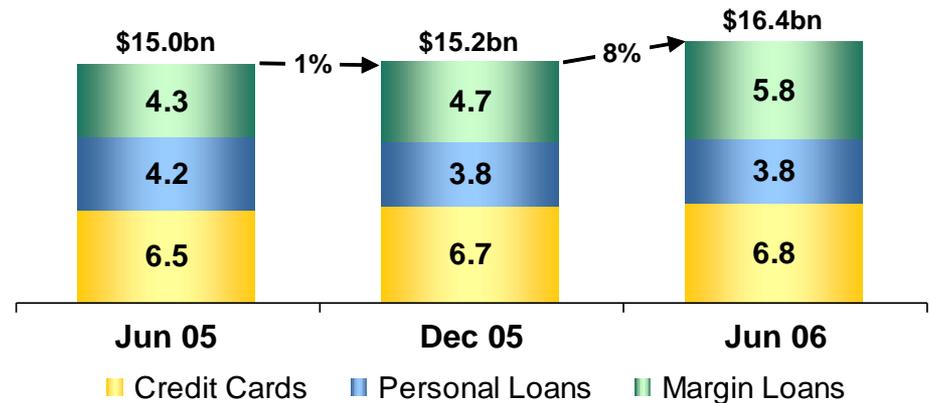
- CBA Balance growth
 - +9% personal lending
 - +5% credit cards

- Credit card market share loss to low rate cards ('Yellow' launched in March 06)

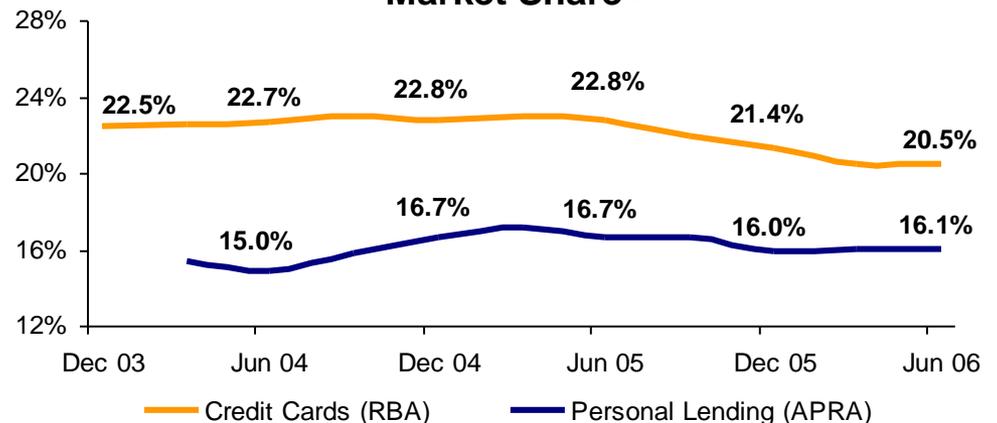
- Personal Lending market share and balances affected by DEET (student loans) buyback

- Personal loan bad debts driven by 2004 lowering of credit thresholds

Personal Lending Balances ⁽¹⁾



Market Share ⁽²⁾



⁽¹⁾ Includes credit cards, personal loans and margin lending

⁽²⁾ APRA published data series only begins in March 2004 for Personal Lending

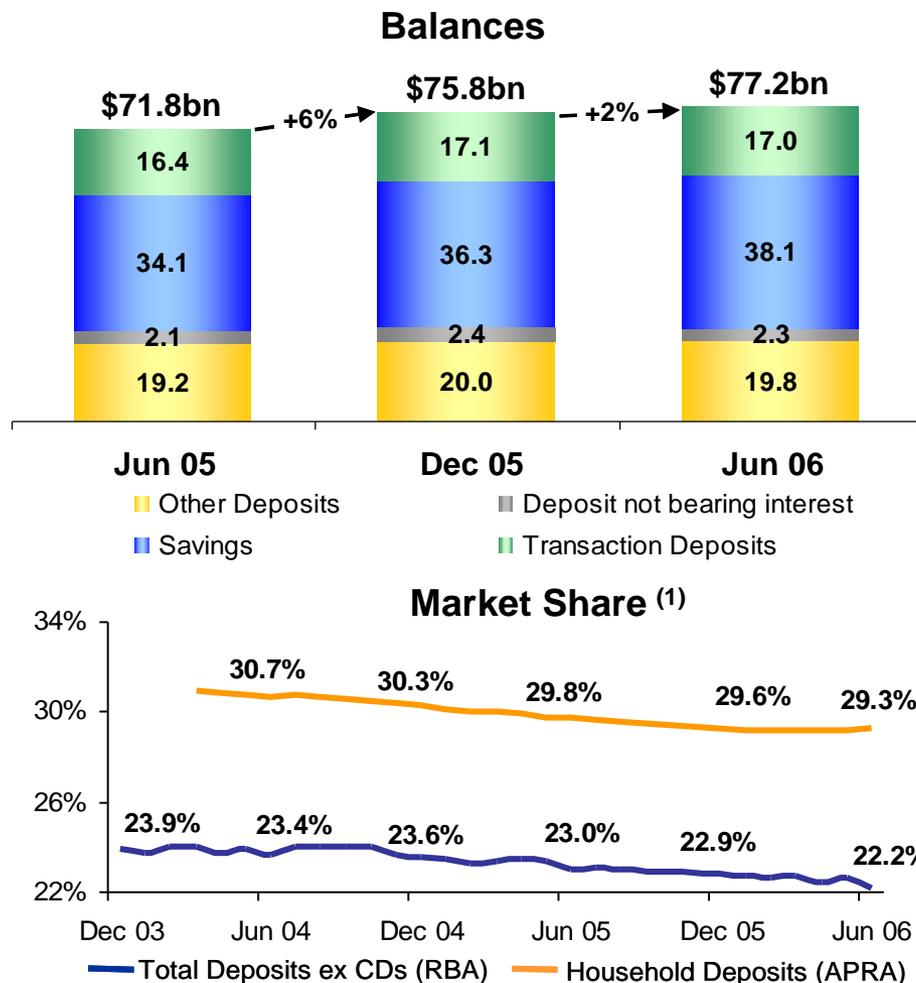
Banking - Deposits (domestic)

- CBA Balance Growth
 - +8% full year
 - +2% 2H06

- Margins stable

- Strong growth in NetBank saver (+\$3.6bn) – 63% new funds to CBA

- New transaction accounts (May 06) positive impact

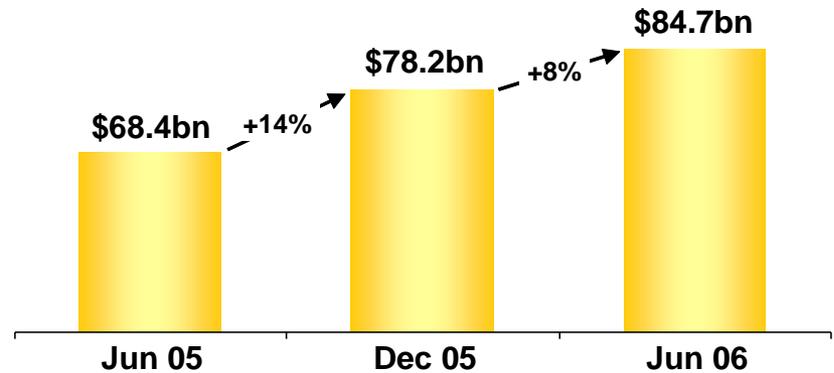


(1) APRA published data series only begins in March 2004 for Household Deposits

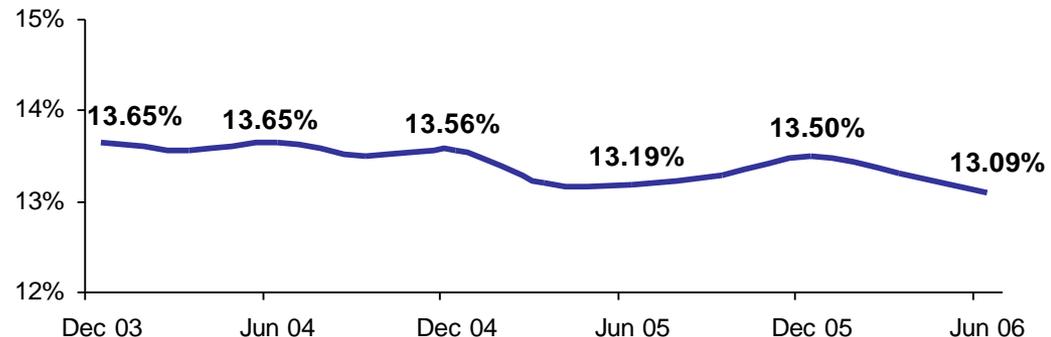
Banking – Business Lending

- Very competitive market
- Growth in balance
 - + 24% vs Jun 05
 - + 8% vs Dec 05
- Introduction of new products
- Institutional growth above market corporate and SME slightly below market

CBA Business, Corporate and Institutional Lending Balances (1)



CBA Business Lending Market Share (2)



(1) Interest earning lending assets + bank acceptances of customers

(2) Source: RBA



Other Key Information

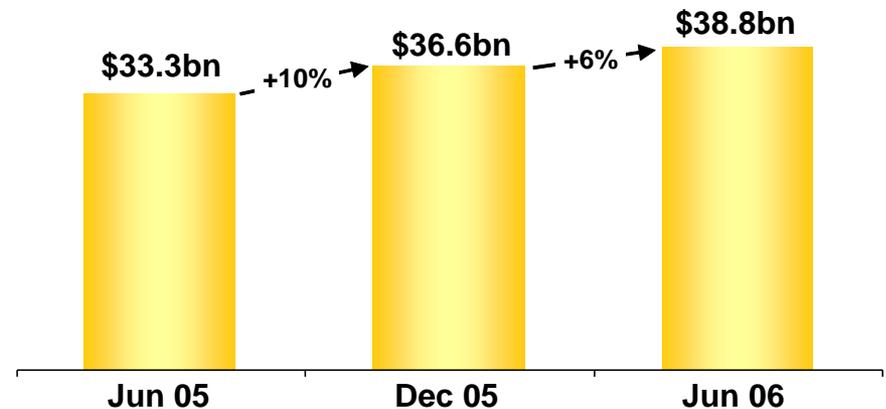
Notes

ASB : New Zealand NZ\$M	12 months			6 months		
	Jun 06 \$M	Jun 05 \$M	Jun 06 vs Jun 05	Jun 06 \$M	Dec 05 \$M	Jun 06 vs Dec 05
Net Interest Income	804	776	4%	412	392	5%
Other Income	344	268	28%	169	175	(3%)
Total Operating Income	1,148	1,044	10%	581	567	3%
Operating Expenses	(495)	(470)	5%	(252)	(243)	9%
Charge for bad debts	(19)	(16)	19%	(9)	(10)	(10%)
Net Profit before taxation	634	558	14%	320	314	2%
Income tax	(194)	(179)	8%	(97)	(97)	-
Net profit after tax ("Cash basis")	440	379	16%	223	217	3%
New Zealand Dollar Exchange Rate (spot)	1.21	1.10		1.21	1.07	
New Zealand Dollar Exchange Rate (avg)	1.12	1.08		1.16	1.08	

Banking – New Zealand (ASB)

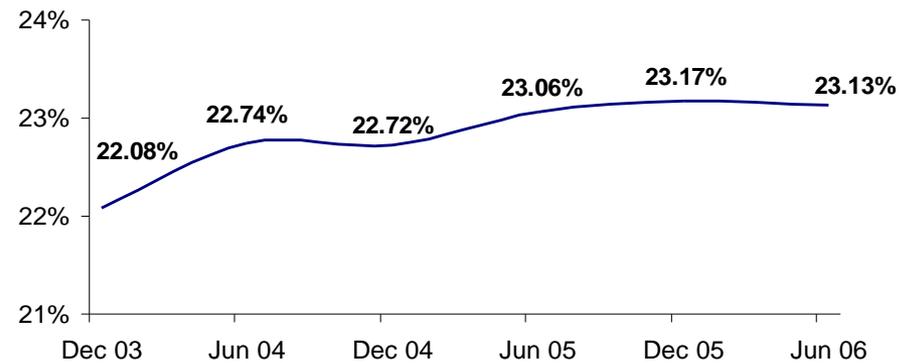
- Cash profit up
 - + 16% full year
 - + 3% 2H06
- Lending balances up 17%
- Deposits grew 12%
- Margins still under pressure, but not as severe as 2005

Operational Lending* Balances
(Spot – in NZD)



* Operational lending = excludes treasury & structured finance

NZ Housing Lending Market Share



Other Key Information

Notes

	Jun 06	Dec 05 ⁽¹⁾	Jun 05
RWA	\$216,438m	\$202,667m	\$189,559m
Charge for Bad Debts (6 mths)	\$210m	\$188m	\$176m
Charge for Bad Debts to RWA (annualised)	0.19%	0.19%	0.19%
Gross Impaired Assets ⁽²⁾	\$326m	\$396m	\$395m
Individually assessed provisions	\$171m	\$179m	\$157m
Collective provisions	\$1,046m	\$1,041m	\$1,390m
General reserve for credit losses (pre-tax)	\$500m	\$404m	n/a
Collective Provisions + General Reserve pre-tax to RWA	0.71%	0.71%	0.73%

⁽¹⁾ AIFRS provisions and coverage ratios not directly comparable to prior periods

⁽²⁾ Interest reserved not recognised under AIFRS - \$19m in June 05; \$27m Dec 04

Credit Risk Statistics

Commercial portfolio

Top 20 commercial exposures (as % of total committed exposure)	2.3%	2.7%	3.3%
% of all commercial exposures that are investment grade or better	68%	67%	66%
% of non-investment grade covered by security	83%	84%	84%

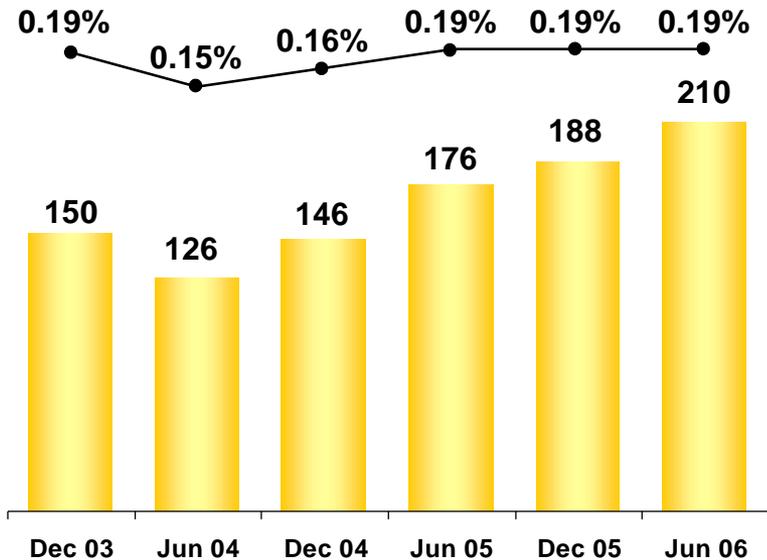
Consumer Portfolio

% of gross lending for home lending	55%	57%	59%
-------------------------------------	-----	-----	-----

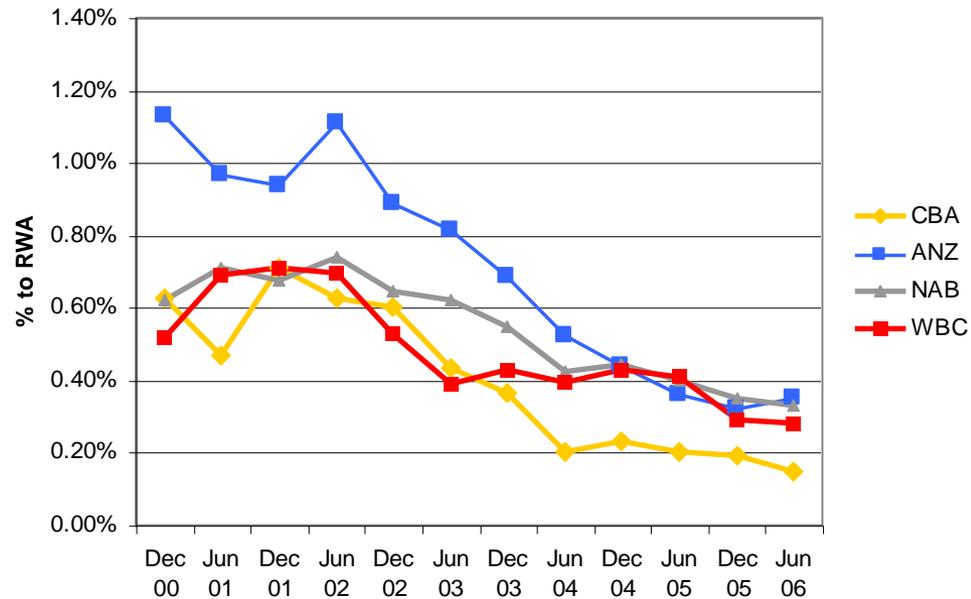


Banking – bad debts

Bad debt expense to RWA (annualised)



Gross impaired assets to RWA



Segment Results: Funds Management

Other Key Information

Notes

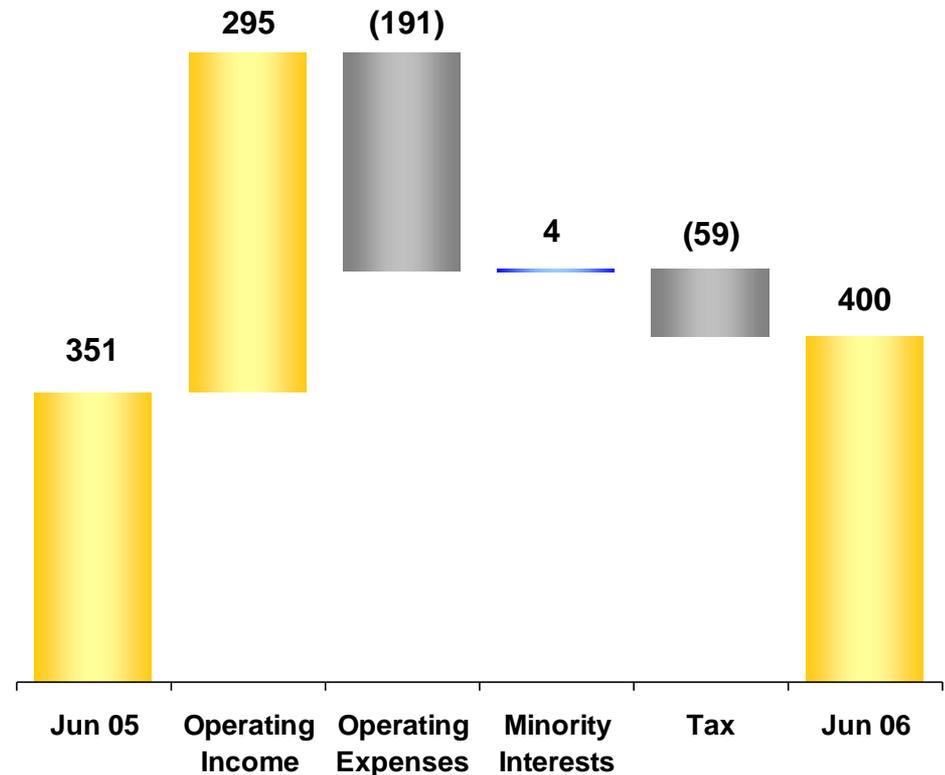
	6 months ended		
	Jun 06	Dec 05	Jun 05
FUA			
Av. FUA (\$bn)	148	130	121
Spot. FUA (\$bn)	152	137	123
Margins			
Operating income/ av. FUA	1.14	1.10	1.08
Net income/ av. FUA	0.97	0.95	0.93
Expenses			
Operating expenses/ av.FUA	0.72	0.70	0.71
Market shares*			
Platforms (latest is Mar 06)	12.5%	10.8%	10.2%
Retail funds (Mar 06)	15.7%	14.6%	14.5%
Breakdown of funds invested			
Local equities	22.0%	22.7%	22.9%
International equities	24.4%	22.4%	19.2%
Listed and direct property	17.2%	17.5%	17.9%
Fixed interest and cash	35.5%	36.4%	39.0%
Other	0.9%	1.0%	1.0%
Total	100%	100%	100%

* Plan for Life

Funds Management

- Underlying profit before tax up
 - + 23% vs Jun 05
 - + 16% vs Dec 05
- After tax profit affected by loss of transitional tax relief
- Costs impacted by one-offs
- Funds under administration grew 23% to \$152bn

Underlying profit after tax up 14%



Other Key Information

Notes

Total net flows

	6 months ended		
	Jun 06	Dec 05	Jun 05
	\$M	\$M	\$M
FirstChoice & Avanteos	9,397	3,936	2,970
Cash Mgt.	(389)	(255)	(458)
Other retail	(2,138)	(2,316)	(1,965)
Wholesale	100	1,189	(640)
Property	(704)	(366)	79
International	2,082	583	294
Other ⁽¹⁾	(213)	(76)	(674)
Total	8,135	2,695	(394)

⁽¹⁾ Includes Life company assets sourced from retail investors but not attributable to a funds management product (eg premiums from risk products). These amounts do not appear in retail market share data.

Australian Retail flows and sales

	(3 mths)	(6 mths)	(6 mths)
	Mar 06	Dec 05	Jun 05
Retail Net Flows ⁽²⁾			
CBA (\$m)	5,154	1,710	783
Market (\$m)	5,893	11,638	9,106
CBA ranking	1	2	6

Retail Sales ⁽³⁾

% total retail sales sourced from CBA

Network	47%	48%	46%
% total retail sales managed by CBA	54%	56%	59%

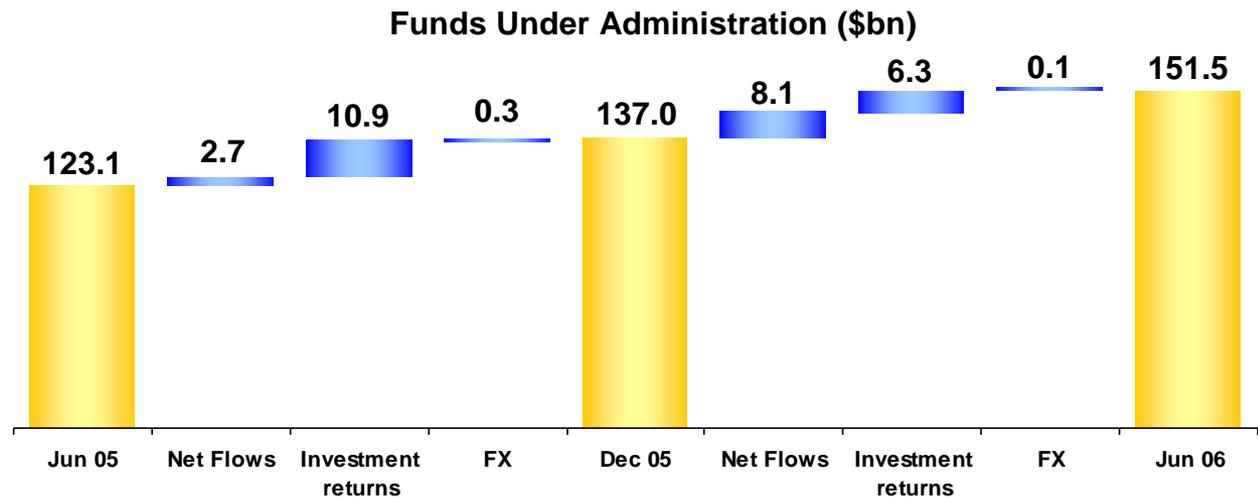
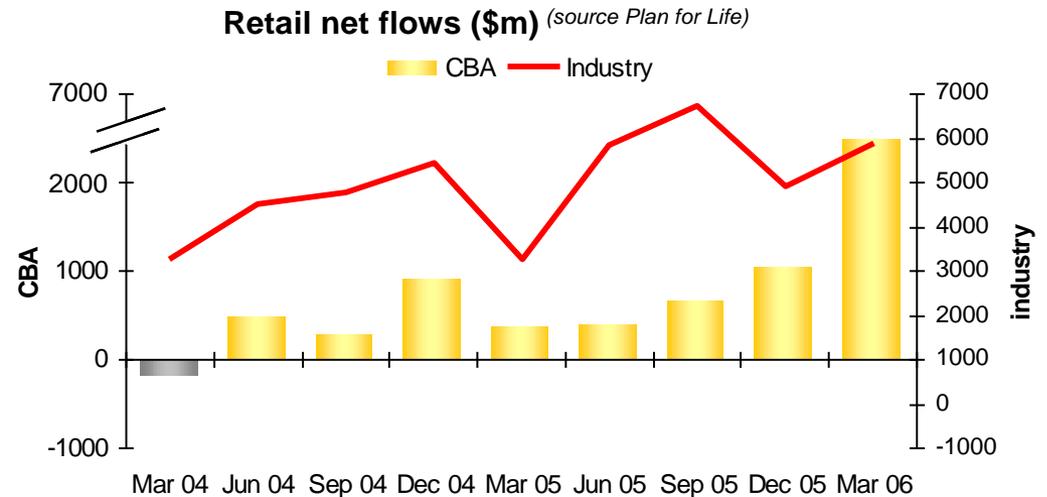
⁽²⁾ Net flows (sales less withdrawals) for retail products. Source: Plan for Life

⁽³⁾ Excludes legacy products. Source: CBA



Funds Management – net funds flows

- FirstChoice attracts record flows and reaches \$25bn
- Significant inflows into Avanteos from GSJBW alliance
- Good flows into higher margin equity products due to improved investment performance



Investment Performance

June 2006	Gross performance and quartile ranking			
	1yr % pa	Quartile	3yr % pa	Quartile
Aust. Share – Core	29.1%	1	26.7%	1
Geared Share Fund	55.8%	1	51.9%	1
Imputation	26.2%	2	23.9%	3
Property Securities	23.7%	1	20.7%	1
Global Resources	61.2%	1	41.2%	1
Diversified	16.8%	3	14.6%	4
Australian Bond	3.7%	3	5.1%	1
Global Equities	19.3%	4	10.9%	4

Source – Mercer, Morningstar

Segment Results: Insurance

Key Information

Notes

	6 months ended		
	Jun 06	Dec 05	Jun 05
Claims expense as % of net earned premium			
General Insurance	57%	51%	72%
Life Insurance	41%	49%	47%
Sources of profit	\$M	\$M	\$M
Planned profit margins	77	69	60
Experience variations	29	19	28
Other	(2)	2	(8)
General insurance operating margin	8	13	6
Operating margins	112	103	86
After tax Shareholder investment returns	20	36	63
After tax profit on sale of HK business	-	145	
NPAT (cash)	132	284	149

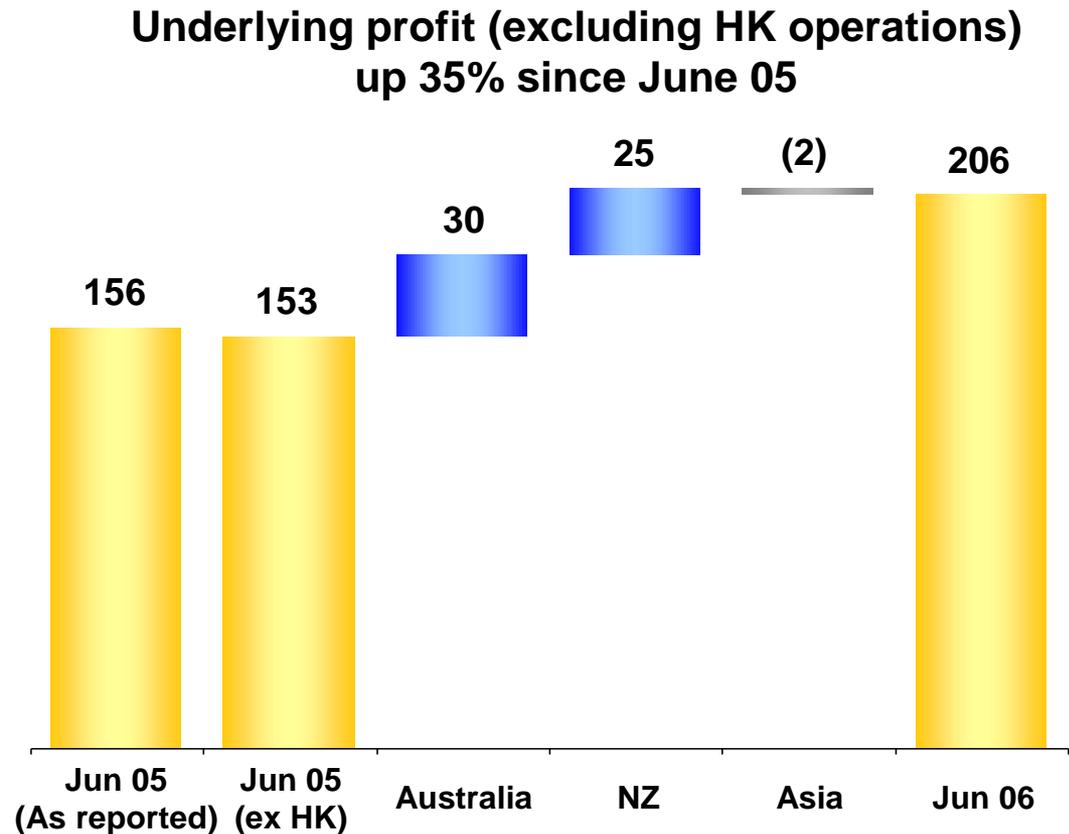
Breakdown of Shareholders' Funds

	Jun 06	Dec 05	Jun 05
Local equities	2%	2%	5%
International equities	1%	2%	5%
Property	17%	18%	13%
Other growth	-	-	1%
Growth	20%	22%	24%
Fixed interest	29%	38%	37%
Cash	51%	40%	33%
Other income	-	-	6%
Income	80%	78%	76%
Total	100%	100%	100%



Insurance Results - total

- Underlying profit:
 - +35% on Jun 05*
 - +9% on Dec 05
- Solid inforce premium & operating margin growth in Australia and New Zealand
- Good expense control
- Largest Life insurer in Australia and New Zealand



* excluding Hong Kong operations

Capital Management

Other Key Information

Notes

Surplus capital in Life Companies

	Jun 06 \$M	Dec 05 \$M	Jun 05 \$M
Australia			
Statutory Funds	191	251	102
Shareholder Funds	31	62	168
Sub-Total	222	313	270
NZ	44	51	47
Other IFS	57	58	132
Other (including CFS)	300	(244)	131
General Insurance	19	30	23
Sub-Total	421	(105)	333
TOTAL	642	208	603

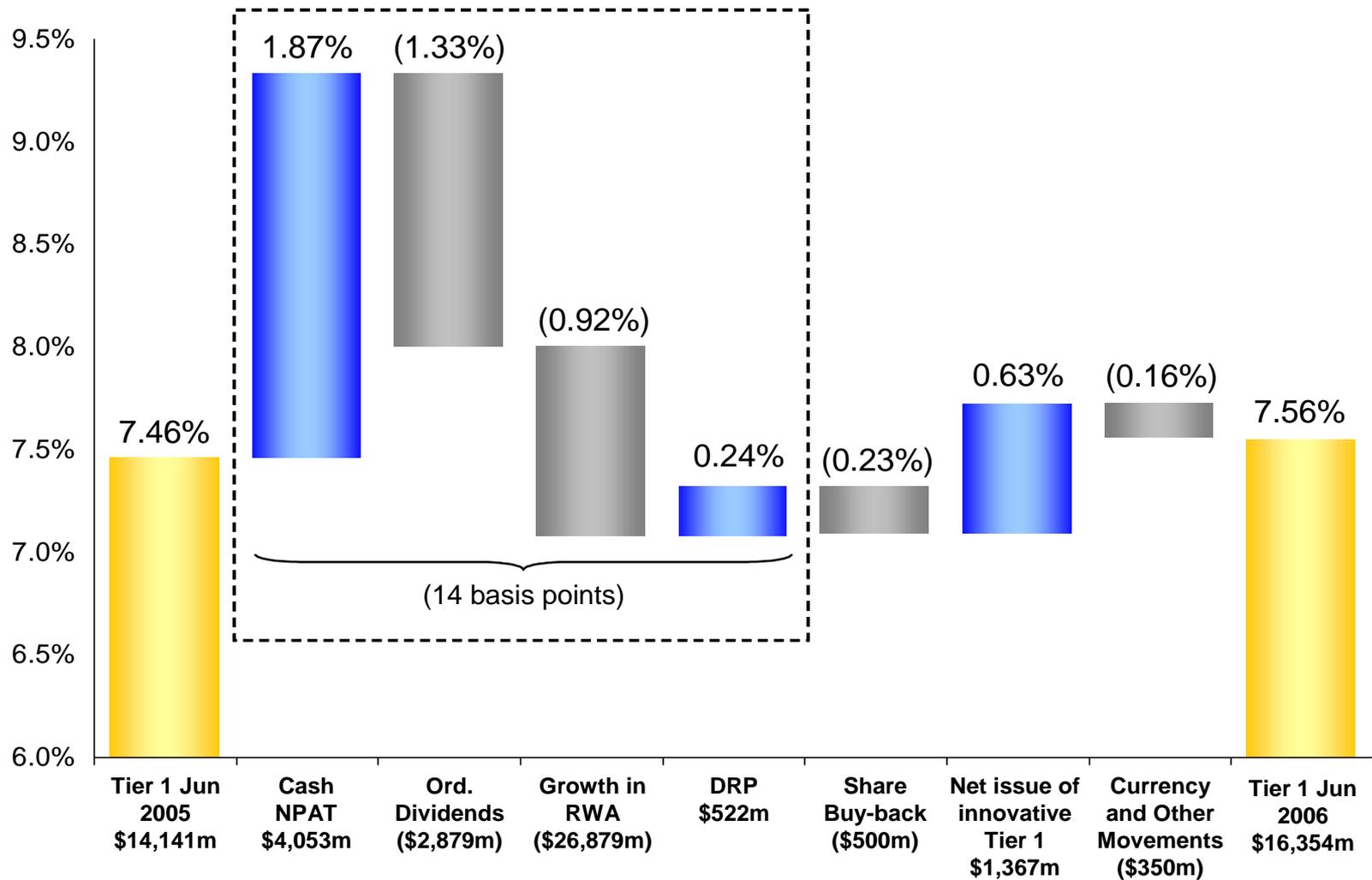
The surplus capital in Life and FM companies has increased slightly due to retained profits, partially offset by AIFRS changes.

Note: "Other" mainly represents capital within the funds management businesses

Non Recourse Debt	Jun 06	Dec 05	Jun 05
	2,077	1,851	2,292



Generation and use of Tier 1 capital



Other Key Information

Notes

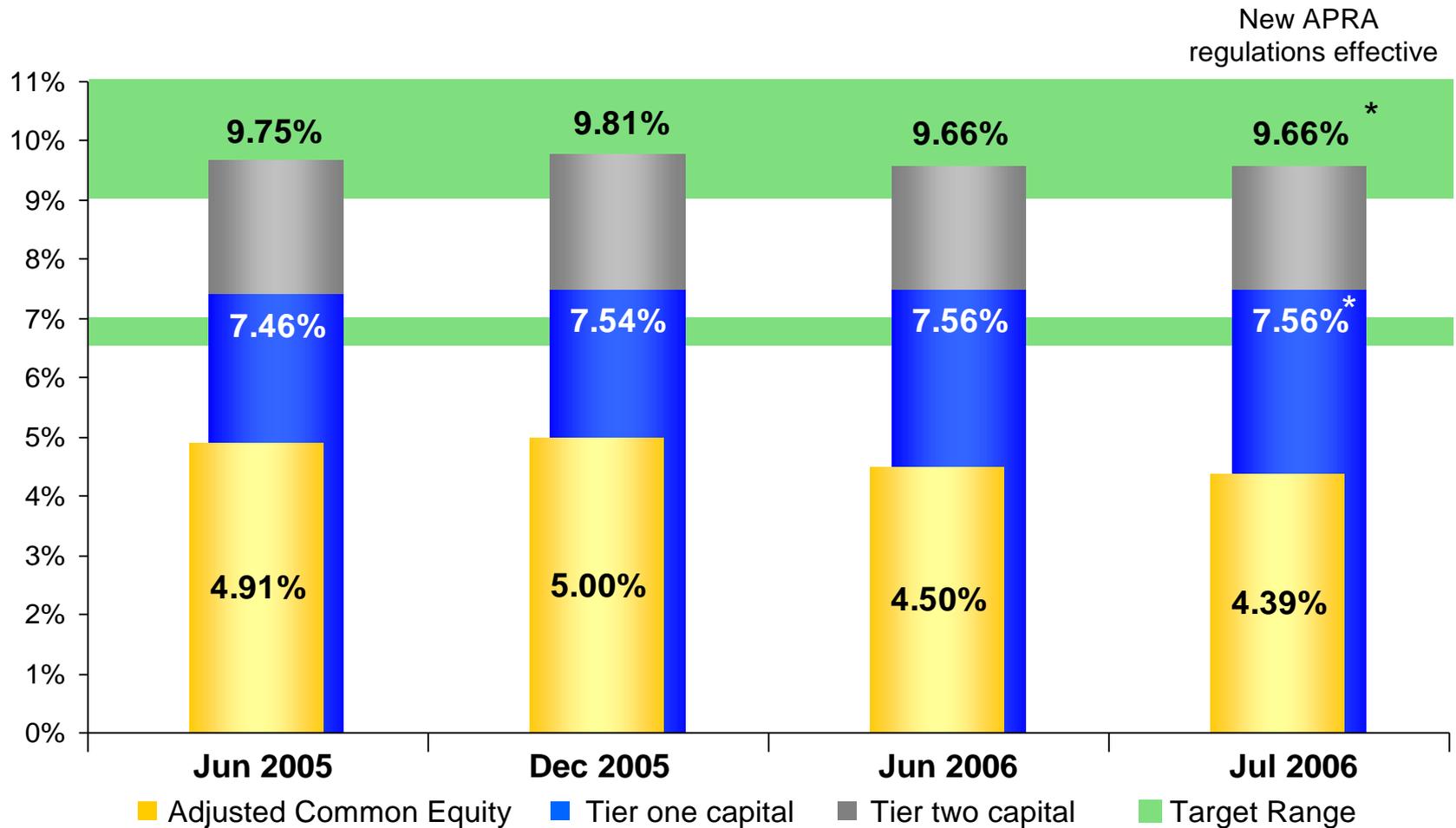
Credit Ratings	Long Term	Short Term	Affirmed
Standard & Poors'	AA-	A-1 +	Jun 06
Moody's Investor Services	Aa3	P-1	Jun 06
Fitch Ratings	AA	F1+	Jun 06

Adjusted Common Equity	Jun 06 \$M	Dec 05 \$M	Jun 05 \$M
Tier One Capital	16,354	15,290	14,141
Deduct:			
Eligible loan capital	(281)	(317)	(304)
Preference share capital	-	(687)	(687)
Other equity instruments	(3,659)	(1,573)	(1,573)
OEI	(508)	(523)	(520)
Investment in non-consolidated subsidiaries ⁽¹⁾	(2,012)	(1,918)	(1,721)
Other deductions	(151)	(130)	(28)
Other			-
	9,743	10,142	9,308
Risk Weighted Assets	216,438	202,667	189,559
Adjusted Common Equity Ratio	4.50%	5.00%	4.91%

⁽¹⁾ Net of intangible component deducted from Tier One capital



Capital ratios



* Transitional relief granted by APRA till 31 December 2007

Highlights

- Very good result – Cash NPAT of \$4,053 million
- Good volume growth across the business
- Focus on profitable growth
- Successful delivery of WnB and good progress on new strategic initiatives
- Record dividend





Ralph Norris
CHIEF EXECUTIVE OFFICER

Gary Thursby
CHIEF FINANCIAL OFFICER (ACTING)

9 August 2006

Commonwealth Bank of Australia ACN 123 123 124
PRESENTATION OF FULL YEAR RESULTS
For 30 June 2006

Supplementary materials

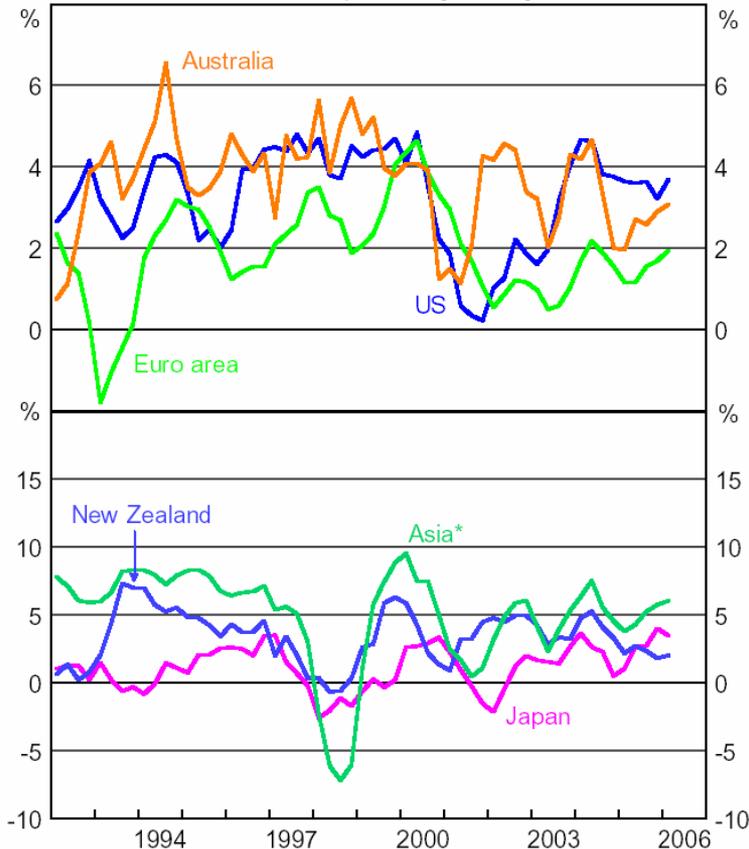


Economy

GDP, unemployment and cash rates

Real GDP

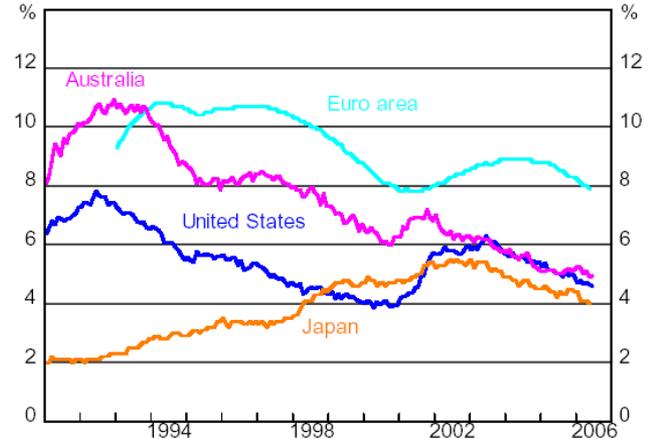
Year-ended percentage change



* Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan and Thailand

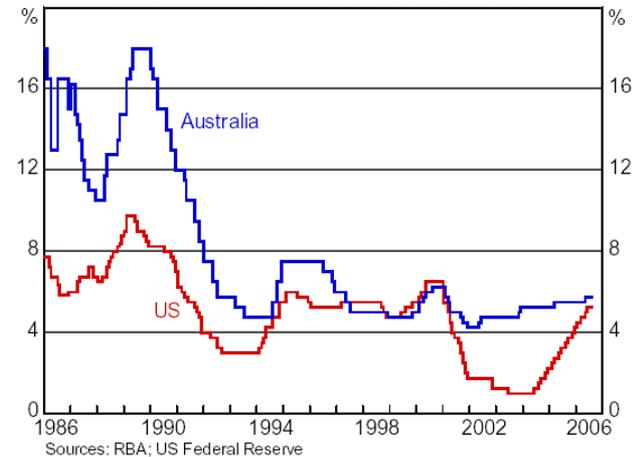
Sources: ABS; CEIC; Thomson Financial

Unemployment Rate



Sources: ABS; Thomson Financial

Australian and US Cash Rates



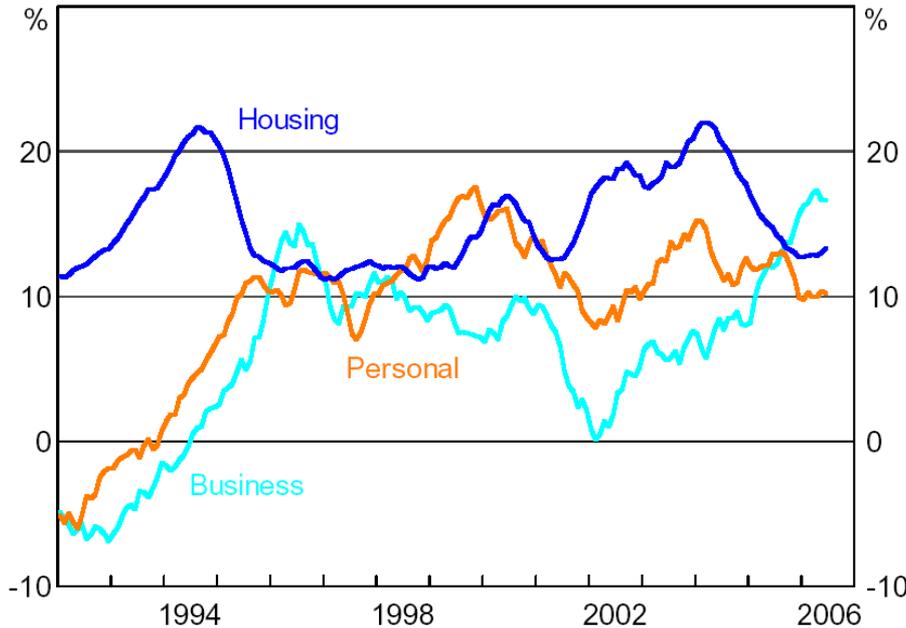
Sources: RBA; US Federal Reserve



Credit growth

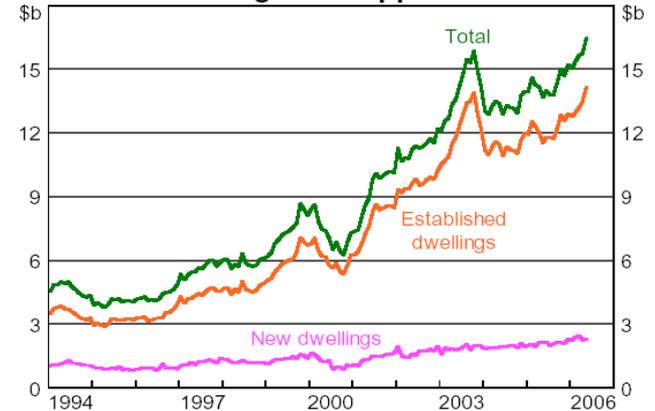
Credit by Sector*

Year-ended percentage change



* Includes securitised loans
Source: RBA

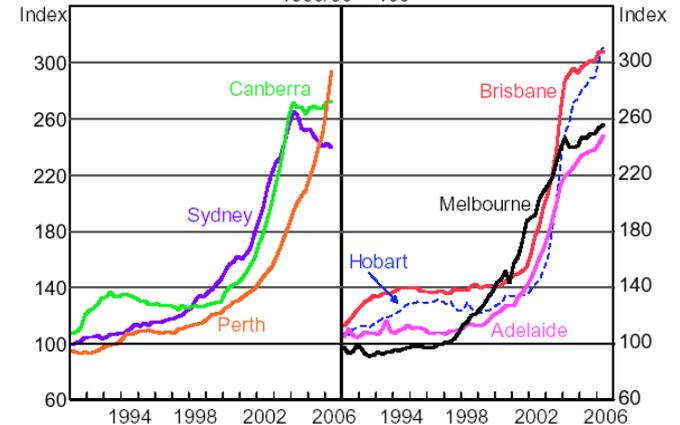
Housing Loan Approvals*



* Excludes refinancing; includes investors and owner-occupiers
Source: ABS

Established House Prices*

1989/90 = 100



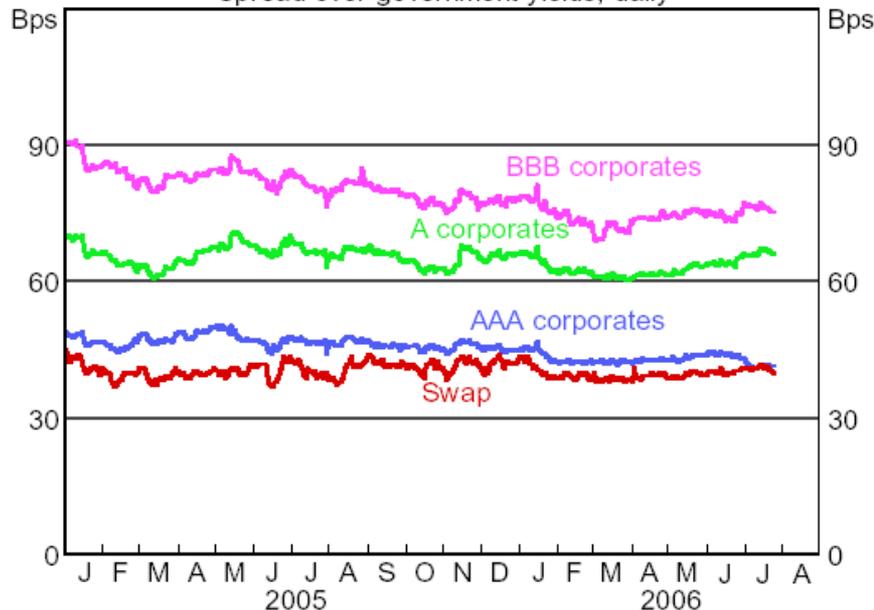
* Spliced series; settlement dated data prior to 2002.
Source: ABS



Spreads

Aus. BBB Corporates
~ 35bp over swaps

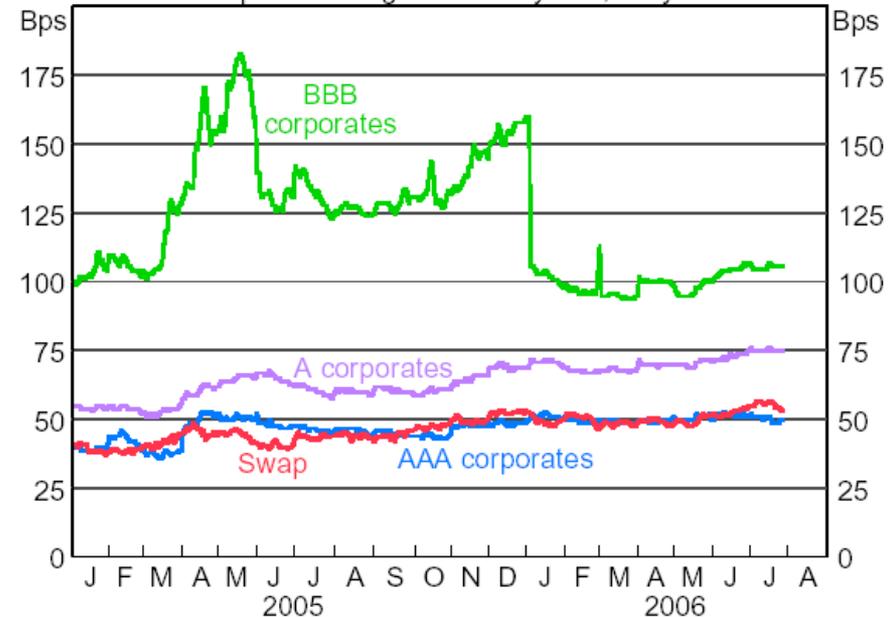
Australian Corporate Bond Spreads
Spread over government yields, daily



Swap spreads are for 3-years maturity. Corporate spreads are a weighted average of bonds with remaining maturities of 1 to 5 years.
Sources: Bloomberg; RBA; UBS AG, Australia Branch

US BBB Corporates
~ 50bp over swaps

US Corporate Bond Spreads (3-5 years)
Spread over government yields, daily



Source: Bloomberg

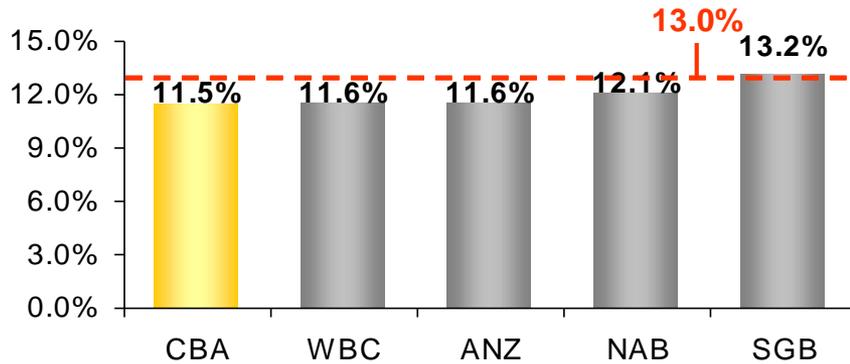


Banking

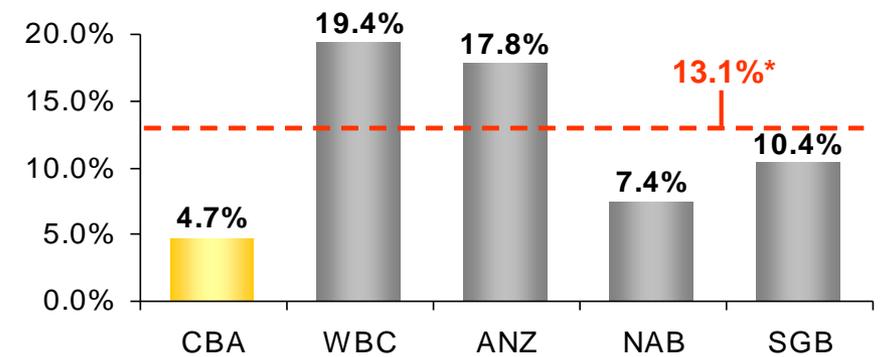
Summary - CBA Growth vs Market

12 months to June 2006

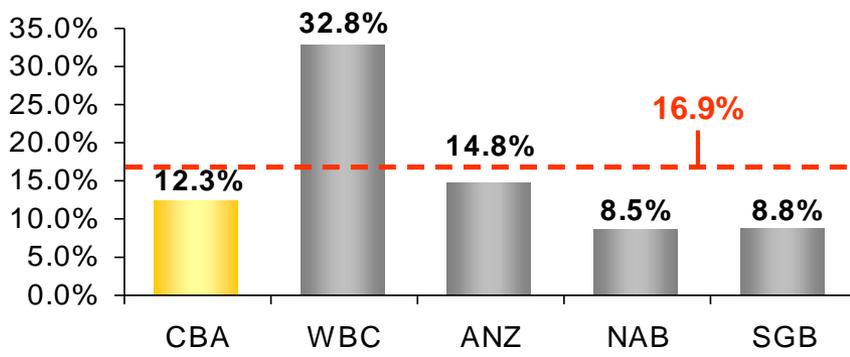
Home Lending



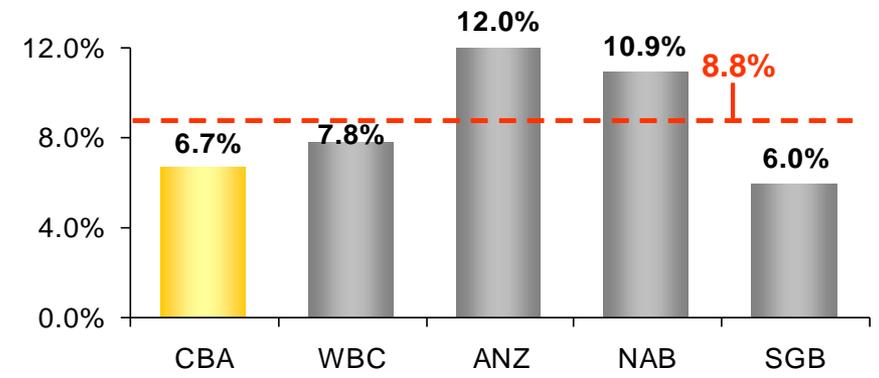
Credit Cards



Personal Lending



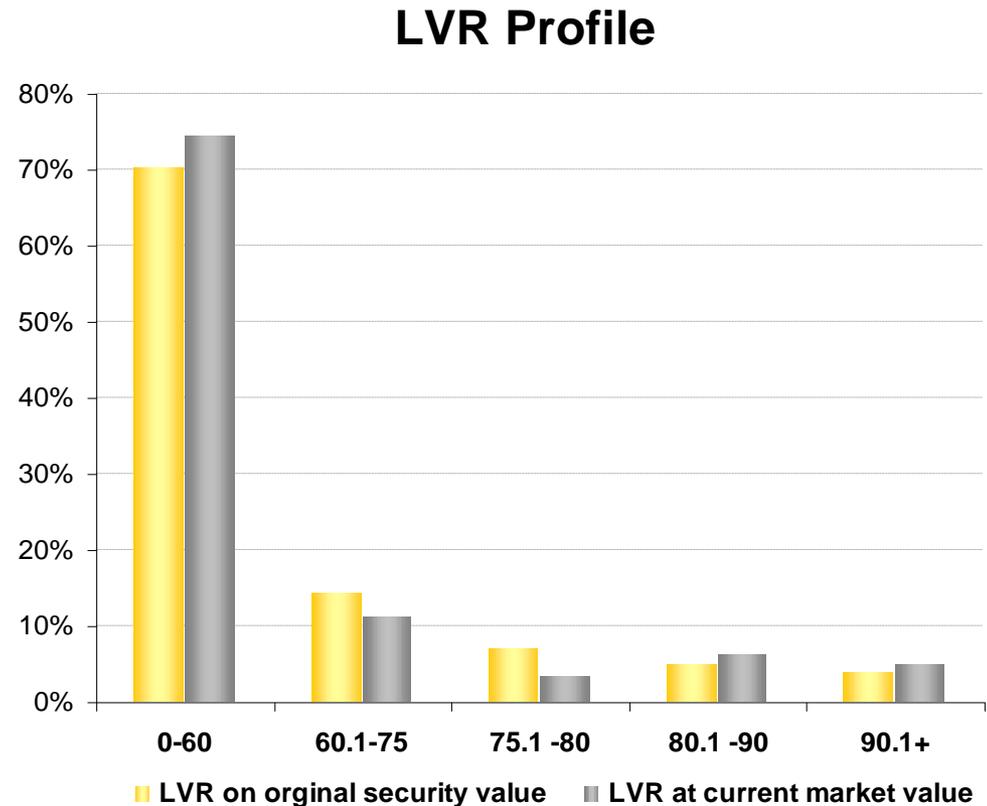
Household Deposits



--- Market

Home Loans – LVR Profile

- Strong LVR profile
- % of loans at <60% LVR:
 - 70% if based on original security value
 - 75% if based on current market values
- The majority of loans >80% LVR are mortgage insured



Australian Owner Occupied and Investment Housing only, excludes Lines of Credit
Number of loans as at 30 June 06 and market value as at 31 Mar 06
Market value marked against the APM or Residex database



Home Loans – Stress Testing

- Stress tested at account level
 - Based on Basel PD* groups
 - Up to 6 fold increase in PD
 - Up to 30% fall in security value
- These stress factors are consistent with experience in the UK recession of the late 1980s/early 1990s
- Maximum potential losses total \$299m (excl securitised and insured)
- Additional Insured losses of \$175m covered by LMI
- Very strong LVR distribution provides significant buffer

Mortgage Portfolio Stress Testing Results Potential Loss (\$m)

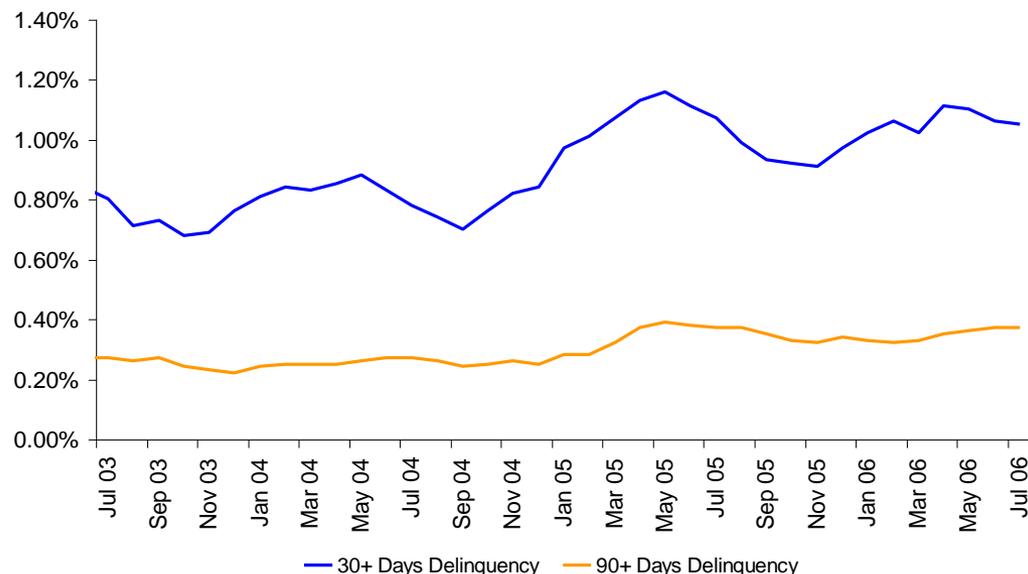
Property Value	Expected Default Rate (PD)			
	PD	x2	x4	x6
No decrease	10.3	14.1	20.1	24.8
10% decrease	27.3	38.4	56.7	70.6
20% decrease	58.6	84.8	128.6	161.8
30% decrease	103.6	153.1	236.4	299.4

* Probability of default rate

Home Loans – Portfolio Quality

- Portfolio credit quality remains sound
- Results are in line with seasonal expectations
- Slight increase in 30+ delinquency over last 12 months is being addressed with a strong collections focus
- 90+ rate delinquencies increased slightly during March and June 06 but have since stabilised

30+ & 90+ Day Delinquencies



All Australian Owner Occupied and Investment Housing only, excludes Lines of Credit
Delinquency percentage uses balances

Low-Doc Home Loans

Increasing but still very small

- Commonwealth Bank considers Low Doc lending a difference in a borrower's proof of income rather than as a separate product
- Key product features:
 - Self employed applicants only with a minimum of 2 years employed in the same industry;
 - Loans above 60% LVR are mortgage insured with a maximum 80% LVR allowed;
 - Maximum loan amount applies; and
 - Loans now offered on most products including packages but with exception of honeymoon products.
- Separate collections processes are administered for Low-Doc loans (separate queuing and quicker respond time), and various stress-testing of the portfolio has been undertaken
- Risk characteristics are in line with reported industry standards
- Performance to-date shows early-dated arrears higher than portfolio averages, but default rates similar

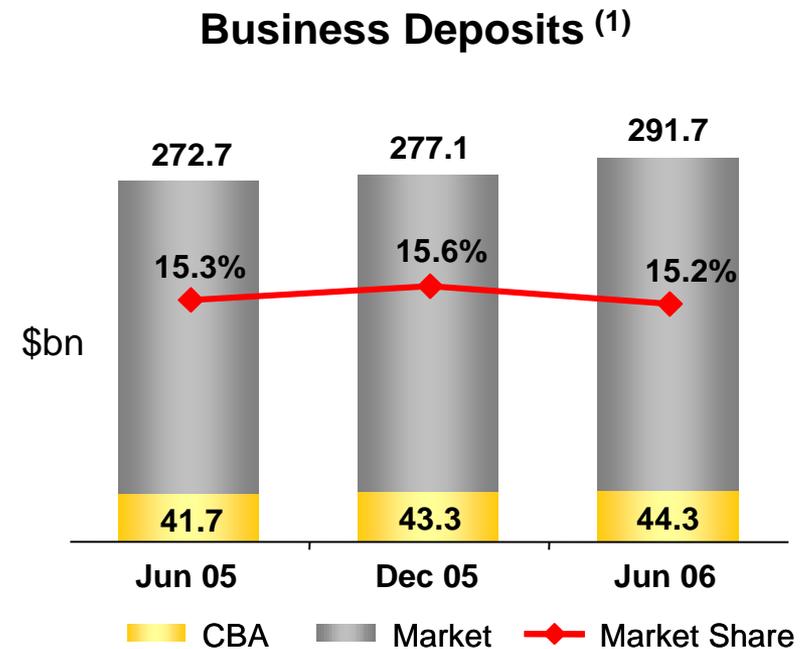
Low-doc	\$m	% of portfolio
Total Portfolio	\$1,500M (Jun 06)	1%

Date	CBA's Low Doc History - Events
Dec 2002	Launched Low Doc lending with a 1% margin (life of loan) above SVR with 100% of loans mortgage insured.
Sept 2003	The 1% margin above the SVR was reduced to +0.50% (life of loan).
Jan 2004	Removed the +0.50% interest rate premium for Low Doc's with LVR less than 60%. While maintained +0.50% margin (life of loan) for loans with LVR greater than 60%.
Oct 2004	Reduced the +0.50% premium to only 12 months for LVRs greater than 60% (to offset LMI cost).
Jan 2005	Removed +0.50% premium - customers required to pay LMI premium directly for LVRs greater than 60%.
Feb 2006	Extended available product range to include – fixed rates, Economiser and "package" home loans.



Banking – Business Deposits

- Strategy focussed around revenue growth and optimisation of group-wide balance sheet funding
- Since June 05, deposit book grew at close to market levels (6% relative to 7% market growth) whilst maintaining margins
- Business deposits growth of 2% since Dec 05 versus market growth of 5% as the take up of high yield at call offerings accelerates
- Business Online Saver (launched in May) has already generated \$1bn in deposits and is expected to improve market share going forward



(1) Total non-household deposits excluding Certificates of deposit– Source APRA



Banking – Bond Markets

2005 – 2006 Financial Year Result

Financial Year INSTO League Table Rankings

PUBLIC DOMESTIC NON-GOVERNMENT BOND LEAGUE TABLE
(INCLUDING SELF-LED DEALS) 1 Jul 2005 – 30 June 2006

Rank	Bookrunner	A\$m	Deals
1	National Australia Bank	10,291	59
2	Commonwealth Bank Of Australia	7,381	54
3	Westpac Banking	7,149	51
4	RBC Capital Banking	6,182	36
5	ANZ Banking Group	5,578	32
6	Deutsche Bank AG	4,797	25
7	ABN AMRO	4,477	34
8	Citigroup	4,225	22
9	UBS	4,220	21
10	TD Securities	2,300	23
11	St George Bank Ltd	1,295	4
	Other	4,813	50
	Total	62,675	411

Criteria: A\$100 million minimum, 1-year minimum.
Pricing must be disclosed.
All increases eligible.
Bookrunners are given equal allocation.

Source: Insto Magazine - Public Domestic Non-Govt. Bond League Table (including self-led issues).

Past Insto League Table Rankings



2005
A\$7.446 billion
raised



2004
A\$6.989 billion
raised



2003
A\$3.132 billion
raised



Notable PBS Transactions in 2006

 <p>BBI (DBCT) Finance Pty Limited A\$680m June 2016/2021/2026 Fixed and Floating Rate Medium Term Notes June 2006</p>	 <p>Leighton Finance International</p> <p>Medium Term Notes US\$110m May 2006</p>	 <p>A\$200 million August 2013 Fixed Rate Notes May 2006</p>	 <p>IADB A\$300 million May 2016 Fixed Rate Notes May 2006</p>	<p>The Bear Stearns Companies Inc</p>  <p>A\$450 million April 2014 Fixed and Floating Rate Medium Term Notes April 2006</p>	 <p>PERLS III <small>Perpetual Exchangeable Repurchasable Listed Shares</small></p> <p>Preferred Capital Limited A\$1.166bn Joint Lead Manager April 2006</p>
 <p>Wells Fargo</p> <p>A\$750 million May 2013 Fixed and Floating Rate Medium Term Notes March 2006</p>	 <p>GPT <small>GENERAL PROPERTY TRUST</small></p> <p>GPT RE Limited A\$700 million March 2009 Fixed and Floating Rate Medium Term Notes March 2006</p>	 <p>Instituto de Crédito Oficial</p> <p>A\$300m March 2011 Fixed Rate Notes March 2006</p>	 <p>Asian Development bank</p> <p>A\$300m June 2011 Fixed Rate Notes February 2006</p>	 <p>Morgan Stanley</p> <p>A\$1.4bn July 2010, March 2013 Fixed and Floating Rate Medium Term Notes February 2006</p>	 <p>MARINER FINANCIAL <small>INVESTMENT BY DESIGN</small></p> <p>Rights Issue and Public Offer A\$75m Lead Manager & Underwriter February 2006</p>



Notable PBS Transactions in 2006 (2)

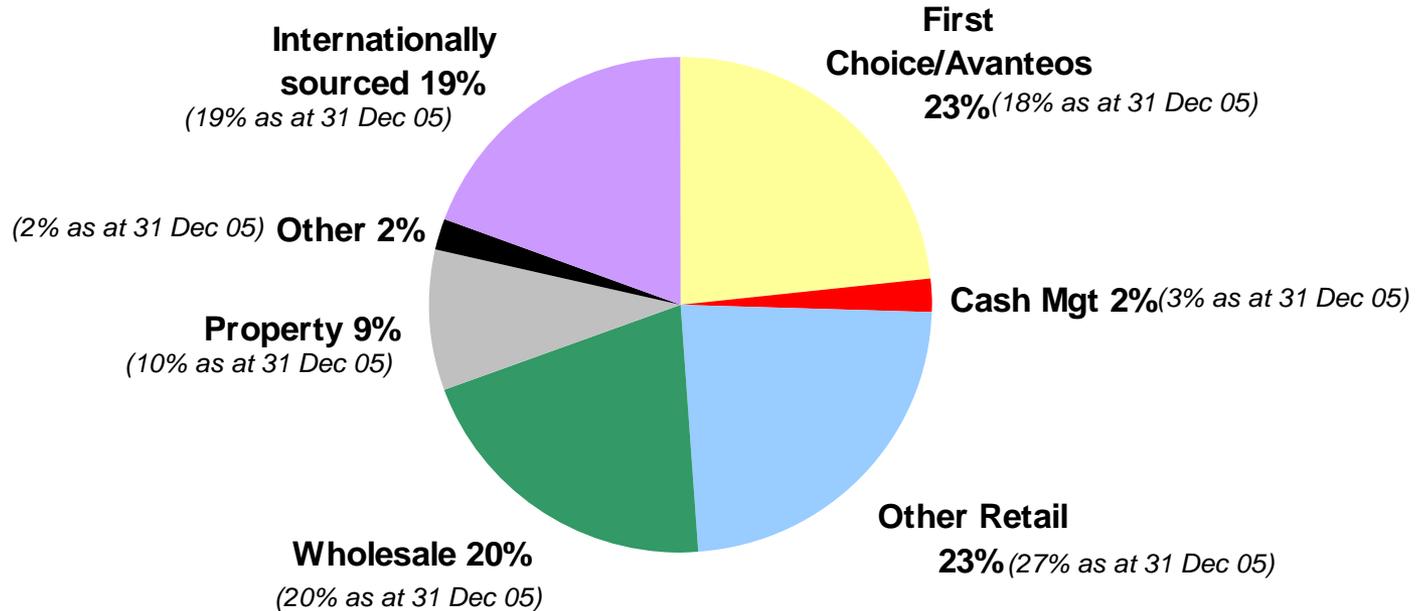
 <p>Primary Transaction Bank</p> <p>June 2006</p>	 <p>Primary Transaction Bank</p> <p>June 2006</p>	 <p>Sole Merchant Acquiring Bank – Australia & New Zealand</p> <p>June 2006</p>	 <p>Banker to Whole of Government (WA)</p> <p>June 2006</p>	 <p>Banker to 231 restaurants (50% of all licensed McDonald's restaurants bank with CBA). Tailored packages with debt, risk management and transactional solutions</p>	 <p>Acquisition and Term Finance Facility \$35m (to assist in acquisition of Lawpoint)</p> <p>June 2006</p>
 <p>ROC Oil Company Ltd</p> <p>US\$275m</p> <p>June 2006</p> <p>Sole Underwriter Acquisition Bridge Financing</p>	 <p>Cross Sound Cable N.Y. US\$209 million</p> <p>Sole Lead Arranger & Underwriter</p> <p>Term Debt Facility and Letter of Credit Facility</p> <p>Hedging Bank</p> <p>February 2006</p>	 <p>Australian Railroad Group</p> <p>A\$647 Million</p> <p>June 2006</p> <p>Syndicated Facility</p> <p>Joint Lead Arranger and Underwriter and Facility Agent</p>	 <p>Structured Operating Lease Facility to fund Large Mobile Mining Equipment A\$750m</p> <p>Lead Arranger and Residual Value Risk Underwriter</p> <p>May 2006</p>	 <p>Construction of new transport interchange, development of retail shopping and future residential towers</p> <p>Chatswood Transport Interchange Funding Package A\$137.5m</p> <p>Corporate Adviser, Senior Debt Arranger/Provider & Mezzanine Debt Arranger</p> <p>Oct 2005</p>	 <p>Acquisition Finance Facility \$13m (acquisition of hazardous waste company)</p> <p>June 2006</p>

Funds Management

Well diversified product mix – platforms rapidly growing share

Funds Under Administration 30 Jun 2006

Total FUA = \$152 billion (*\$137bn as at 31 Dec 05*)

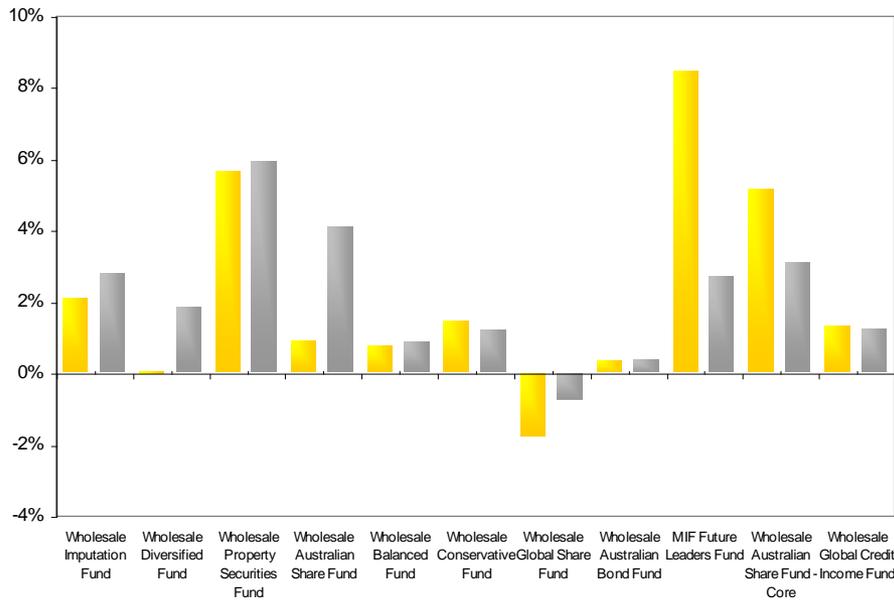


Source – Internal Analysis

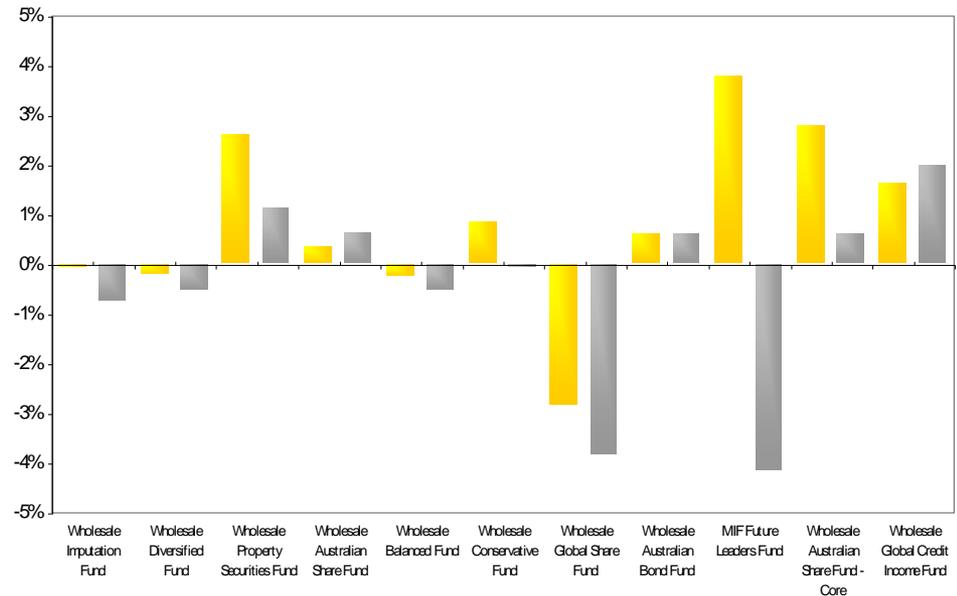


Fund excess returns over benchmark

1 Year Outperformance



3 Year Outperformance



■ Jun-06 ■ Jun-05



Insurance

Funds Management & Insurance Investment Mandate Structure

The Bank has \$1.9bn of shareholders funds across its insurance and funds management business, which is invested in:

	Australia	New Zealand	Asia	Total
Local equities	3%	0%	0%	2%
International equities	0%	7%	0%	1%
Property	20%	2%	0%	17%
Growth	23%	9%	0%	20%
Fixed Interest	23%	54%	72%	29%
Cash	54%	37%	28%	51%
Income	77%	91%	100%	80%
Total	100%	100%	100%	100%

Capital Management

Hybrid Instrument information

Hybrid dividends

	Jun 06	Dec 05	Franked/ Imputed
PERLS *	13	19	F
PERLS II	18	17	F
PERLS III	13	0	F
Trust Preferred Securities	22	21	
ASB Capital prefs	5	5	I
ASB Capital No.2 prefs	8	9	I
CBA Capital	8	8	
	<u>87</u>	<u>79</u>	

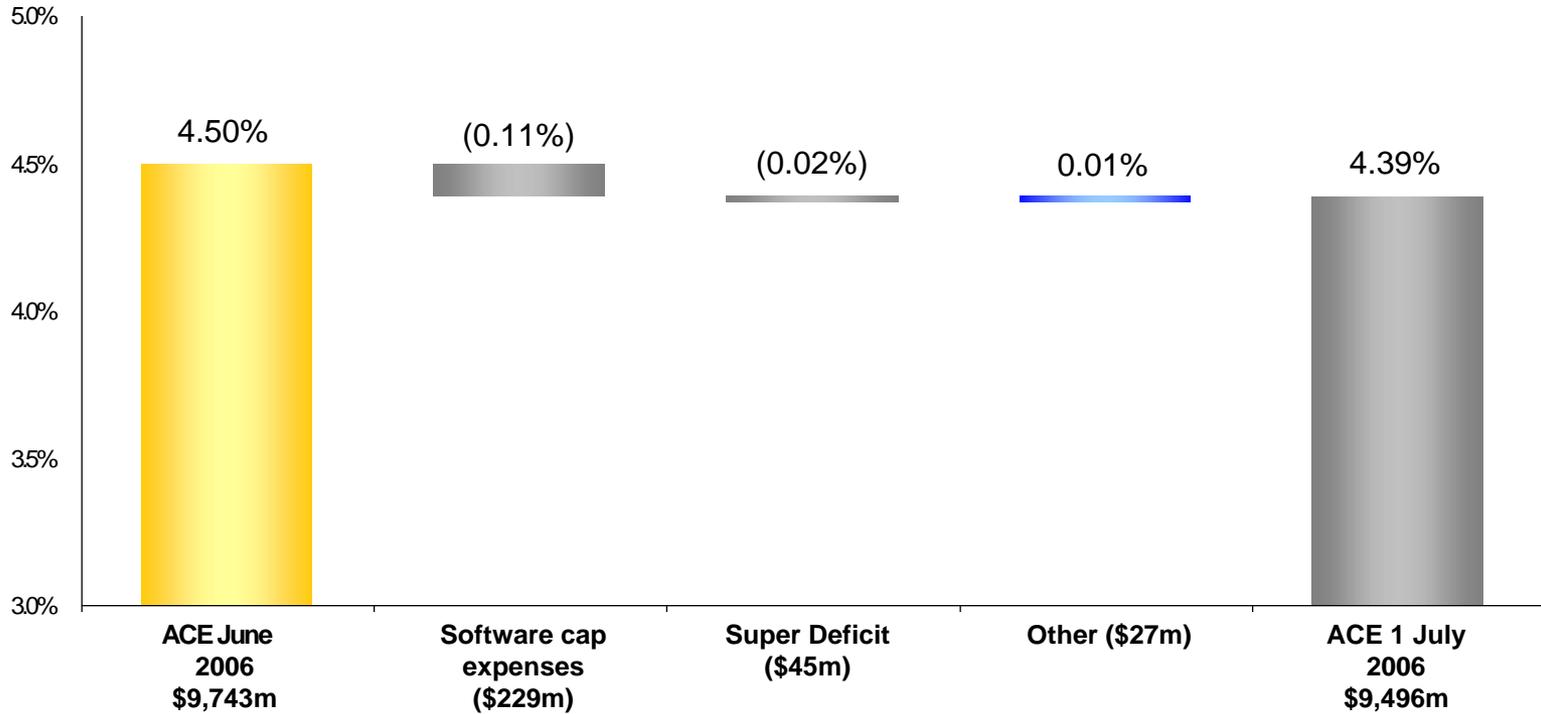
* Redeemed 6 April 2006

Preference shares - breakdown

	Issue Date	Currency	Amount (\$M)	Maturity	Balance Sheet Classification
Trust Preferred Securities 2003	06-Aug-03	USD	\$550	12 years	Tier 1 Loan Capital
PERLS II	06-Jan-04	AUD	\$750	Perpetual	Tier 1 Loan Capital
PERLS III	06-Apr-06	AUD	\$1,166	Perpetual	Tier 1 Loan Capital
Trust Preferred Securities 2006	15-Mar-06	USD	\$700	10 years	Other equity instruments
ASB Capital prefs	10-Dec-02	NZD	\$200	Perpetual	Outside equity interests
ASB Capital No.2 prefs	22-Dec-04	NZD	\$350	Perpetual	Outside equity interests
CBA Capital	18-May-05	NZD	\$350	10 years	Tier 2 Loan Capital

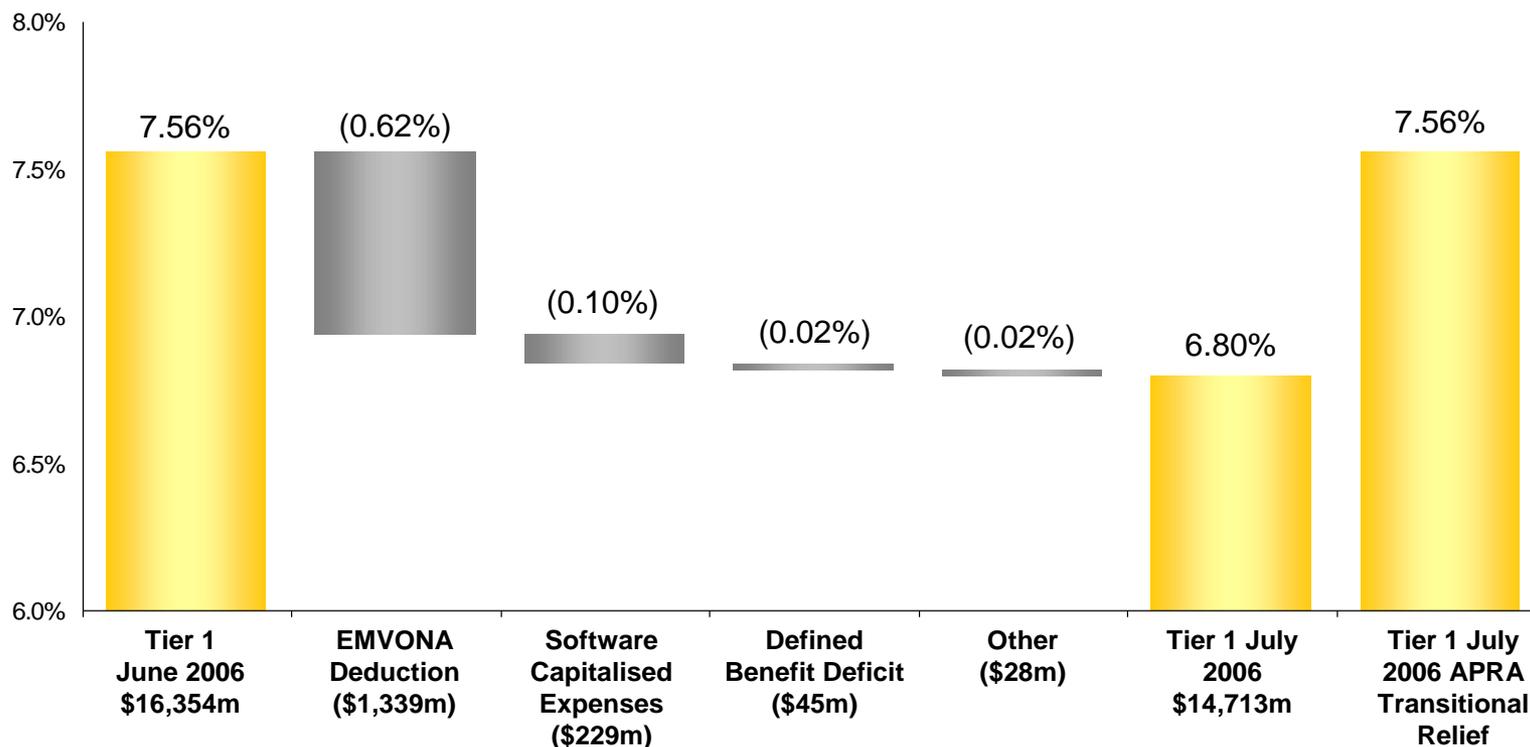
All preference shares listed above will be classified as innovative Tier 1 capital under APRA's hybrid limits effective 1 January 2008

ACE - Major Implication 1 July 2006



- S&P has not granted transitional relief

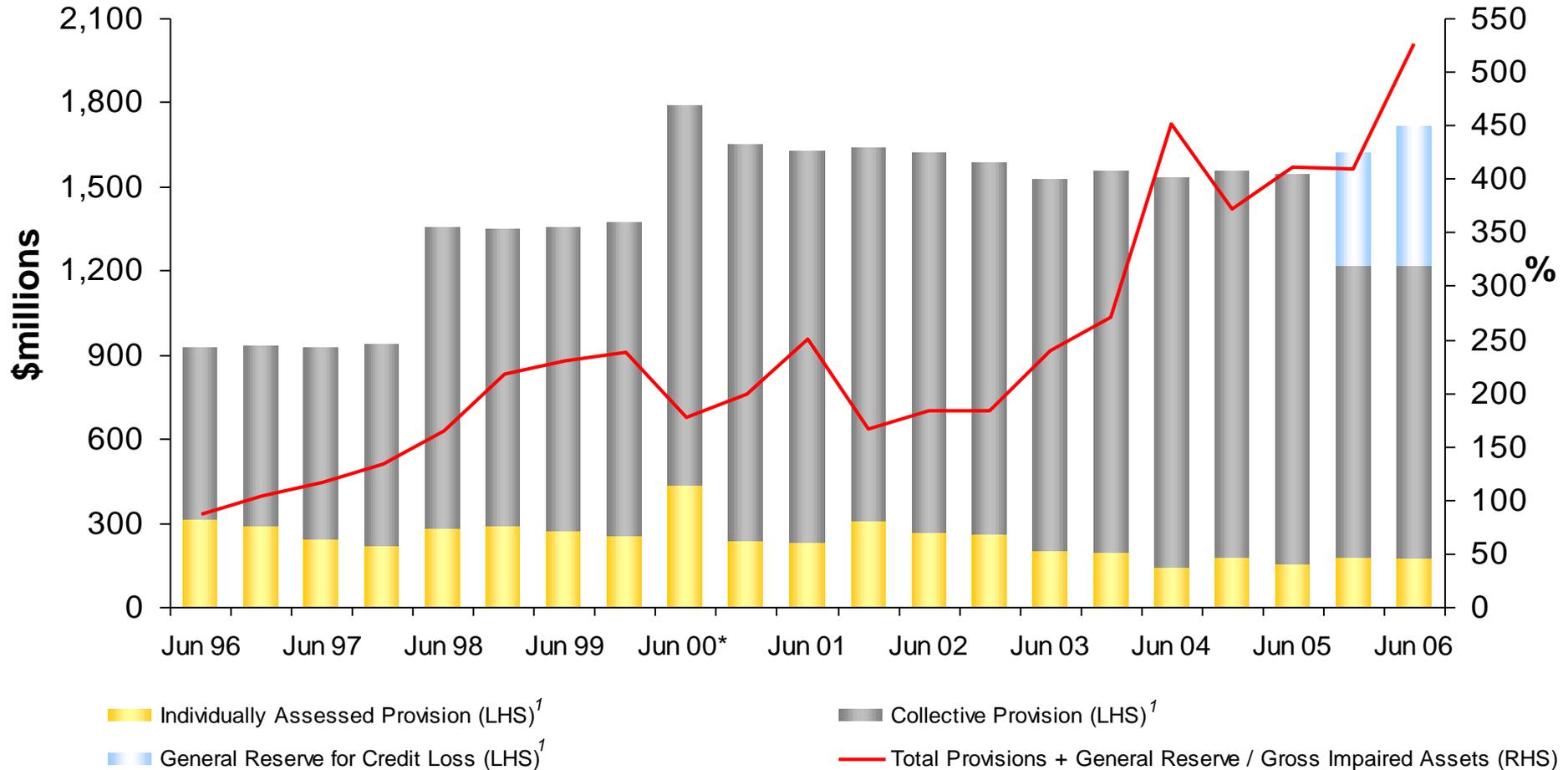
Tier 1: Major Implication 1 July 2006



- APRA has granted full transition relief for the impacts of their revised prudential standards from 1 July 2006 to 31 December 2007. Tier 1 ratio including transition relief at 1 July 2006 is therefore 7.56%

Credit Risk Management

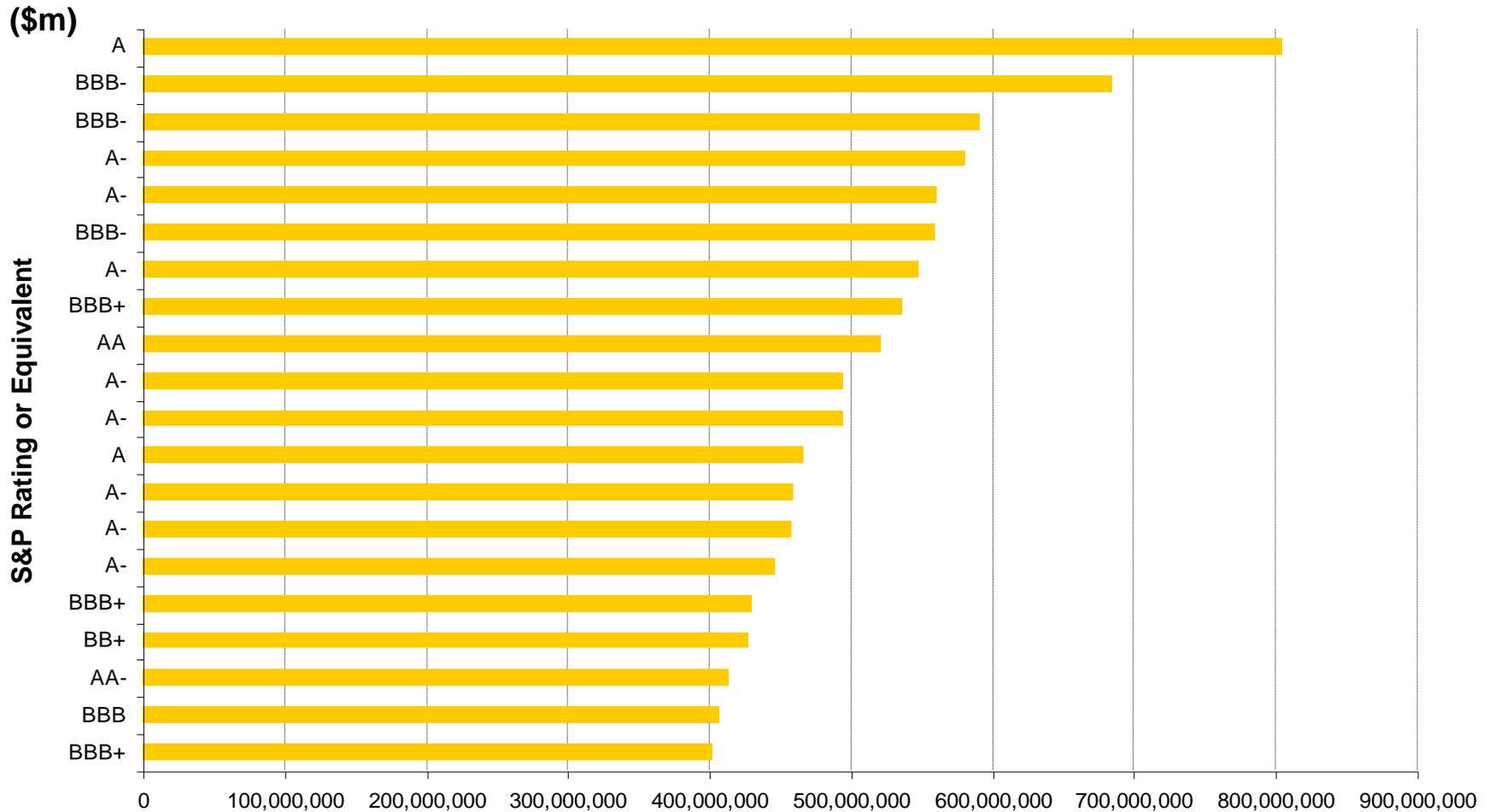
The Bank remains well provisioned



* Colonial acquisition

¹ Loan Impairment provisions have been recalculated under AIFRS from 1 July 2005

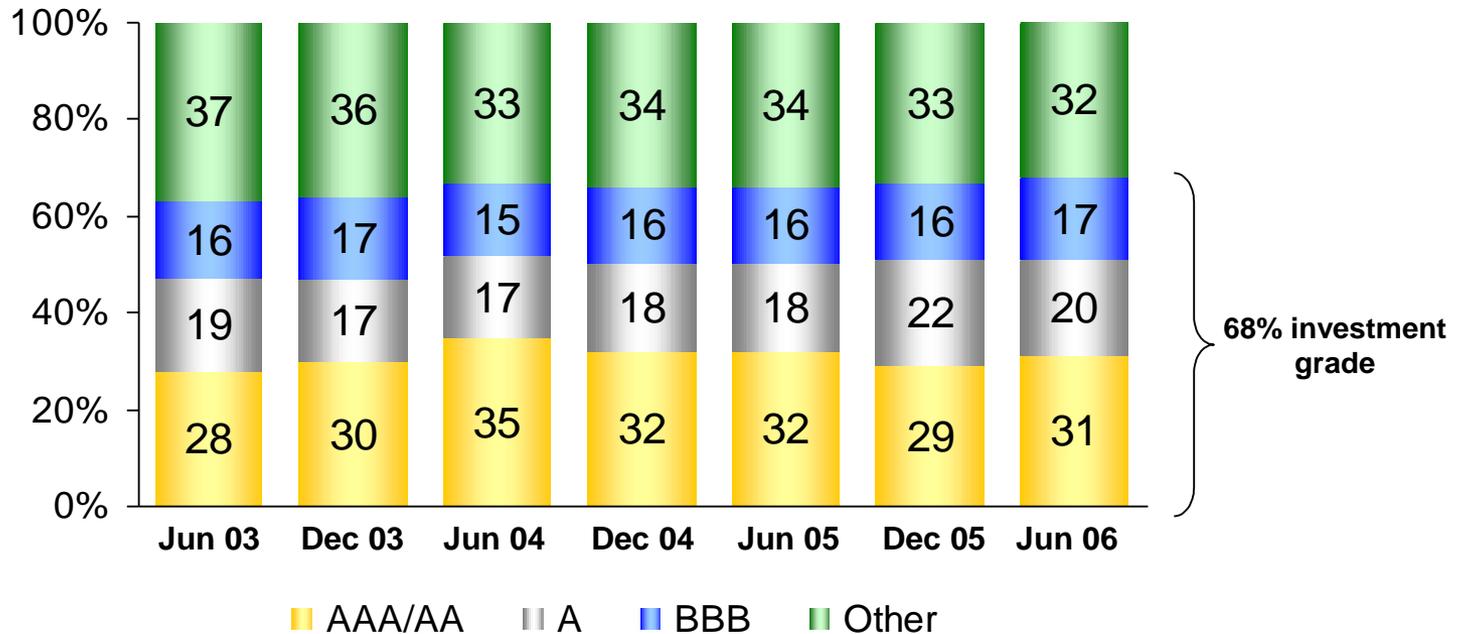
Banking - Top 20 commercial exposures



Top 20 exposures – excludes finance and government – comprise 2.5% of committed exposures (2.7% as at Dec 05, 3.3% as at Jun 05)

Banking - Quality of commercial risk-rated exposures

Quality of commercial risk-rated exposures:
There is security over 83% of the non-investment grade exposure

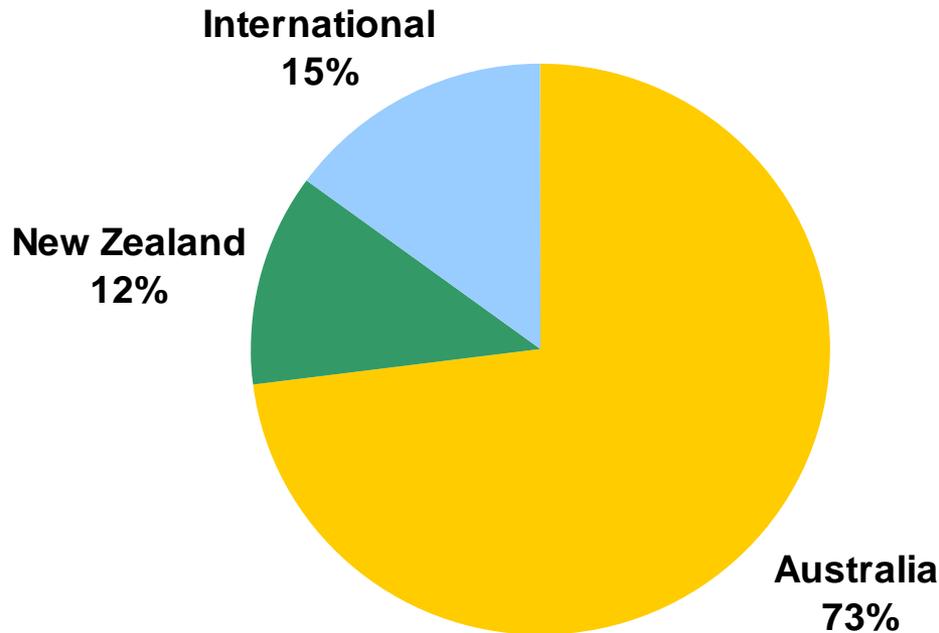


Excludes finance, insurance and government, individually rated counterparties

Banking - Total geographic exposure* (commercial + consumer)

Total exposure : \$417bn

Home loans = \$154.5bn (excl securitised)
Other Balance Sheet loans = \$125.8bn
Other exposure = \$136.7bn



At 31 Dec 05

Total exposure = \$398bn
Home loans = \$150bn
Other loans = \$115bn
Other exposure = \$133bn

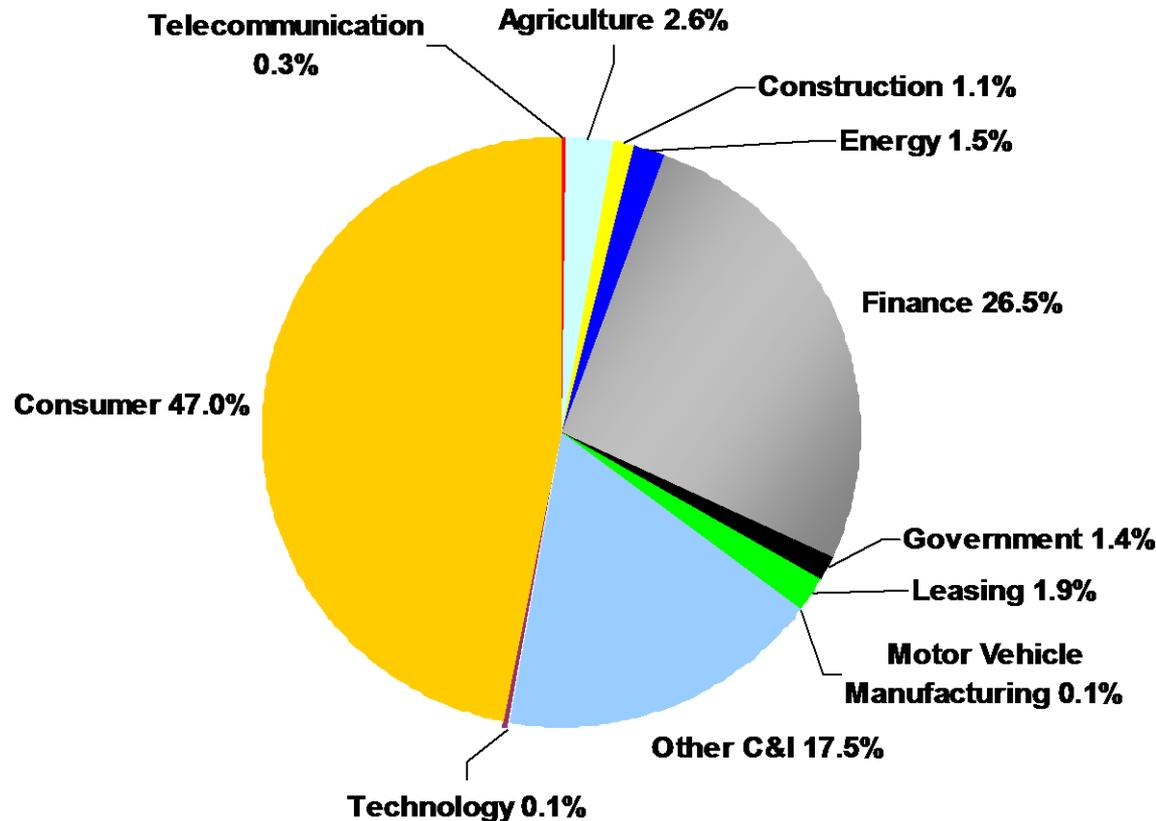
International = 15%
New Zealand = 12%
Australia = 73%

*Total exposure = balance for uncommitted, greater of limit or balance for committed



Banking - Total outstandings* (commercial + consumer)

Total Outstandings
\$341.8 bn*



At 31 Dec 05

Total outstandings = \$324.7bn

Consumer = 48.6%

Telecoms = 0.3%

Agriculture = 2.7%

Construction = 1.0%

Energy = 1.6%

Finance = 25.5%

Government = 1.4%

Leasing = 2.3%

Motor vehicle

manufacturing = 0.1%

Other commercial

& industrial = 16.4%

Technology = 0.1%

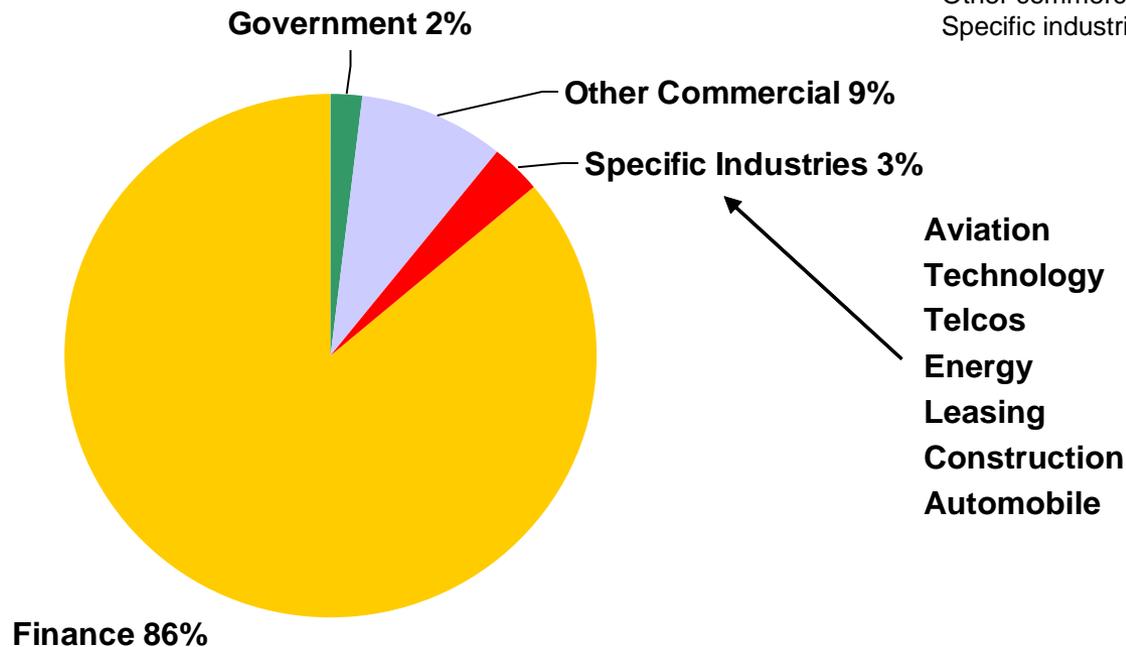
* Represents balances actually outstanding
(on and off balance sheet).



Banking – International commercial exposures*

International exposure by Industry

Total exposure : \$72.1bn



Total non-finance off-shore outstandings = \$9bn of which over 80% are investment grade.

*Total exposure = balance for uncommitted, greater of limit or balance for committed. Excludes ASB



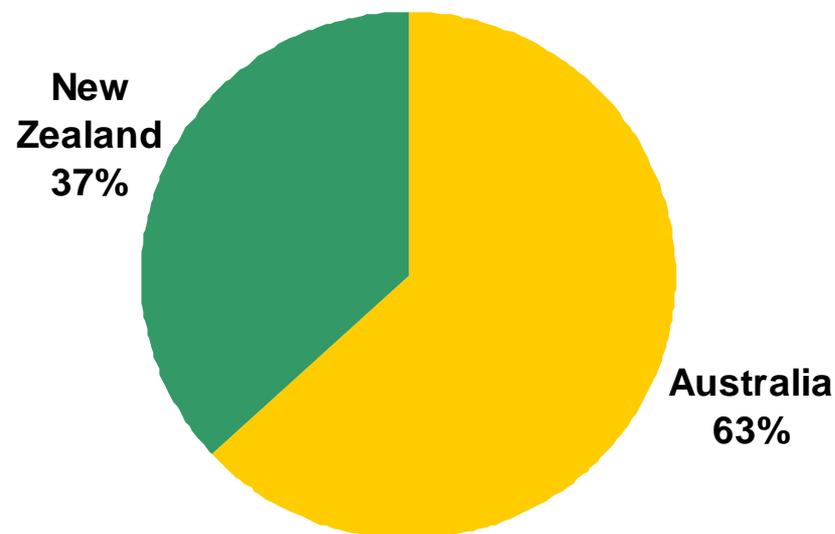
Banking

Credit Exposure - Agriculture Sector

Total exposure: \$10,152m

At 31 Dec 05
 Total exposure = \$10,285m
 Australia = 61%
 New Zealand = 39%

	30 Jun 06	31 Dec 05
Rating	\$m	\$m
AAA to A-	333	372
BBB+ to BBB-	1,320	1,405
BB to BB-	3,022	3,094
< BB-	5,477	5,414
TOTAL	10,152	10,285



**Total exposure = balance for uncommitted, greater of limit or balance for committed.*

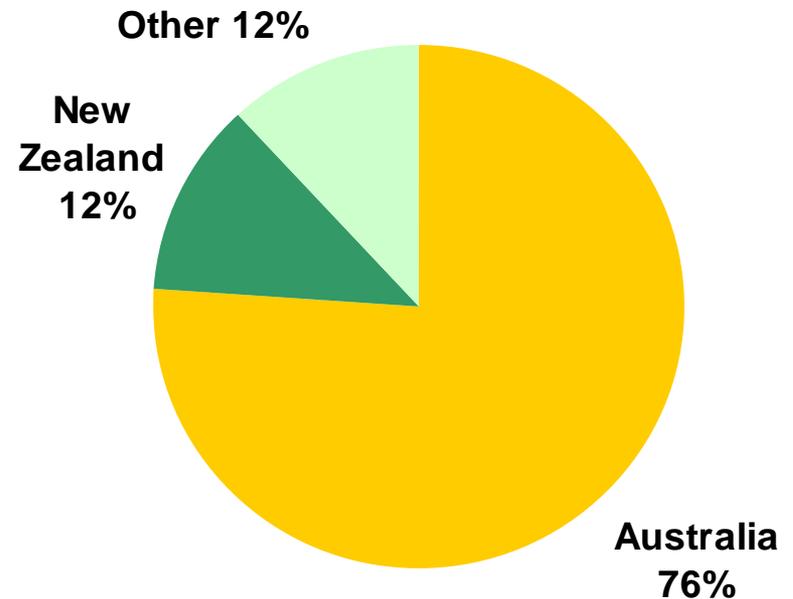
Banking

Credit Exposure - Aviation Sector

Total exposure: \$3,087m

At 31 Dec 05
 Total exposure = \$2,430m
 Australia = 74%
 New Zealand = 14%
 Other = 12%

	30 Jun 06	31 Dec 05
Rating	\$m	\$m
AAA to A-	1,140	757
BBB+ to BBB-	1,516	1,438
BB to BB-	313	151
< BB-	118	84
TOTAL	3,087	2,430



*Total exposure = balance for uncommitted, greater of limit or balance for committed.



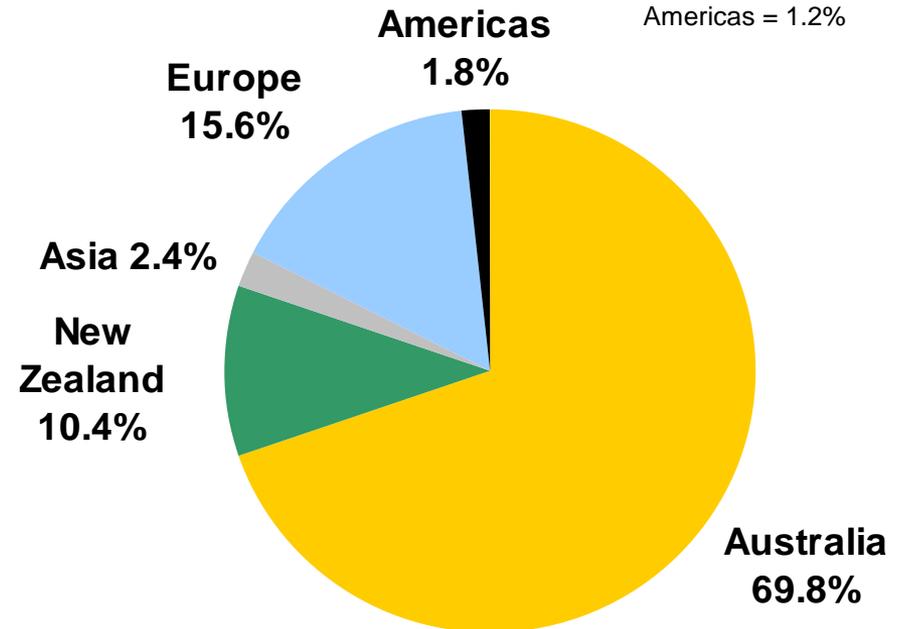
Banking

Credit Exposure - Energy Sector

Total exposure: \$6,889m

At 31 Dec 05
 Total exposure = \$7,462m
 Australia = 71.6%
 New Zealand = 11.6%
 Asia = 4.0%
 Europe = 11.6%
 Americas = 1.2%

	30 Jun 06	31 Dec 05
Rating	\$m	\$m
AAA to A-	1,601	2,661
BBB+ to BBB-	4,588	4,062
BB to BB-	408	464
< BB-	292	275
TOTAL	6,889	7,462



*Total exposure = balance for uncommitted, greater of limit or balance for committed.



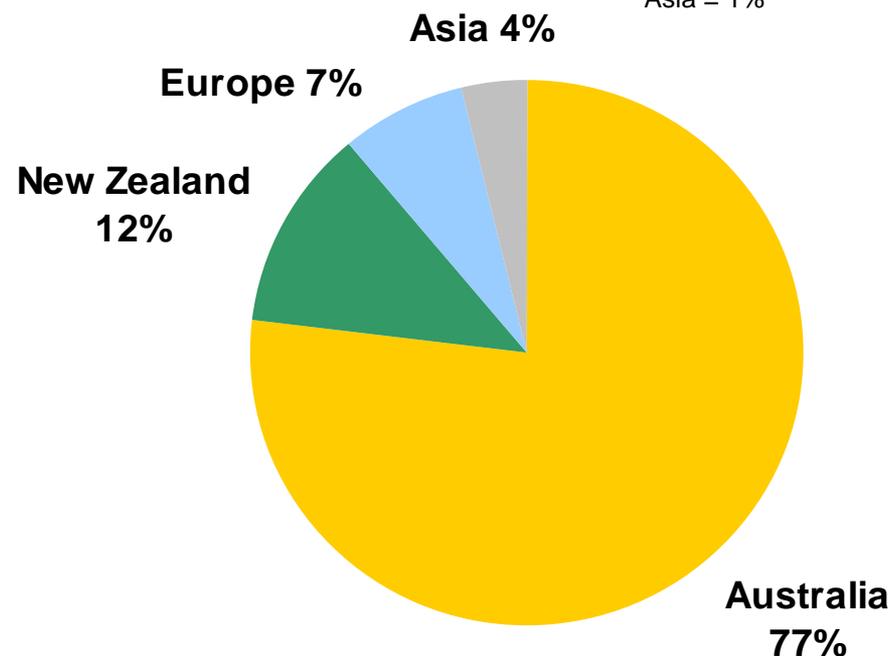
Banking

Credit Exposure - Telcos Sector

Total exposure: \$1,391m

At 31 Dec 05
 Total exposure = \$1,138m
 Australia = 77%
 New Zealand = 7%
 Europe = 15%
 Asia = 1%

	30 Jun 06	31 Dec 05
Rating	\$m	\$m
AAA to A-	856	869
BBB+ to BBB-	277	23
BB to BB-	150	141
< BB-	108	105
TOTAL	1,391	1,138



**Total exposure = balance for uncommitted, greater of limit or balance for committed.*





Ralph Norris
CHIEF EXECUTIVE OFFICER

Gary Thursby
CHIEF FINANCIAL OFFICER (ACTING)

9 August 2006

Commonwealth Bank of Australia ACN 123 123 124
PRESENTATION OF FULL YEAR RESULTS
For 30 June 2006
